THE WALL STREET JOURNAL.

DOW JONES | News Corp * * * * * MONDAY, MAY 22, 2023 ~ VOL. CCLXXXI NO. 118 WSJ.com ★★★★ $5.00

Last week: **DJIA** 33426.63 ▲ 126.01 0.4% **NASDAQ** 12657.90 ▲ 3.0% **STOXX 600** 468.85 ▲ 0.7% **10-YR. TREASURY** ▼ 1 29/32, yield 3.690% **OIL** $71.55 ▲ $1.51 **EURO** $1.0806 **YEN** 137.90

What's News

Business & Finance

A **flood of claims** for a now-expired pandemic-era tax break for small businesses is straining an IRS caught between pressure to process refunds quickly and the need to identify illegitimate requests. **A1**

◆ **China is increasing** efforts to develop a satellite-powered internet network that can compete with Elon Musk's Starlink, whose military applications have been displayed in Ukraine's defense against Russia. **B1**

◆ **Exxon joined the hunt** for lithium with the recent purchase of drilling rights in a tract of land in Alabama, according to people familiar with the matter. **B1**

◆ **Kashkari said** he could support holding interest rates steady at the Fed's next meeting to give officials more time to assess the effects of past rate increases and the inflation outlook. **A4**

◆ **China banned** major Chinese firms from buying from U.S.-based Micron Technology, saying its products pose a major national-security risk. **B6**

◆ **Universal's "Fast X"** took first place at the domestic box office with a debut of $67.5 million, a strong start for the 10th installment of the long-running action franchise. **B2**

◆ **The availability** of new cars and trucks on dealership lots is bouncing back this spring selling season, and for some brands is stronger than expected. **B3**

World-Wide

◆ **Kyiv's forces have** lost effective control of the eastern city of Bakhmut, Ukraine's top commander in the region said, as Moscow declared its first significant conquest since last summer after months of relentless fighting that has cost thousands of lives and obliterated the city. **A1, A6**

◆ **Greece's governing** center-right resoundingly beat its left-leaning opponents in national elections, as voters rewarded Prime Minister Kyriakos Mitsotakis for a robust recent economic performance. **A8**

◆ **Biden said he expected** a thaw in relations with China, a day after he and other Group of Seven leaders took steps to tackle what they see as Beijing's economic intimidation. **A9**

◆ **Biden and McCarthy** agreed to meet Monday in a last-ditch effort to reach a deal to avoid a debt default after talks to raise the federal borrowing limit reached an impasse. **A4**

◆ **The NAACP issued** a travel advisory for Florida to warn potential tourists of state laws and policies that the group sees as hostile to LGBT people and people of color. **A3**

◆ **Hospitals and clinics** across the U.S., among the last institutional bastions requiring masks and Covid-19 tests, are ending the requirements for them. **A3**

◆ **Died: Martin Amis,** 73, prolific British author. **A8**

JOURNAL REPORT
Wealth Management: How to pick the right healthcare plan. **R1-6**

CONTENTS

Arts in Review.....A13	Opinion.......... A15-17
Business & Finance B2,7	Outlook.................. A2
Business News...... B3	Personal Journal A11-12
Crossword........... A14	Sports.................. A14
Heard on Street... B12	Technology.............. B6
Markets................ B12	U.S. News.......... A2-5
	World News....... A6-9

21137>
0 78908 63141 1

© 2023 Dow Jones & Company, Inc.
All Rights Reserved

SERGEY SHESTAK/AGENCE FRANCE-PRESSE/GETTY IMAGES

A wounded Ukrainian soldier near Bakhmut on Saturday, as Russian forces firmed control of much of the city.

Russian Forces Largely Control Bakhmut

Ukrainian general says Kyiv troops are still clinging to a tiny part of the eastern city

KOSTYANTYNIVKA, Ukraine—Kyiv's forces have lost effective control of the eastern city of Bakhmut, Ukraine's top commander in the region said,

By Isabel Coles, Matthew Luxmoore and Bojan Pancevski

as Moscow declared its first significant conquest since last summer after months of relentless fighting that has cost thousands of lives and obliterated the city.

Col. Gen. Oleksandr Syrskiy said Ukrainian forces were clinging to a tiny part of Bakhmut and advancing around its flanks, but acknowledged that the city was largely under Russian control.

Please turn to page A6

◆ Long fight for Bakhmut yields uncertain victory.................... A6

JPMorgan Exhibits Its Dominance, Sets Sights Even Bigger

By David Benoit

Thousands of banks call the U.S. home. Among them, JPMorgan Chase stands alone.

The bank has opened branches in 25 new states, plus Washington, D.C., since 2018. Its nearly 4,800 locations are in every state in the Lower 48, an achievement it alone has unlocked. It added another 93 this month when it bought First Republic Bank in a government-backed fire sale.

It now has more than 13% of the nation's deposits and 21% of all credit-card spending, a bigger share in each than any other bank. Its investment bankers bring in more revenue than all of their Wall Street rivals, including Goldman Sachs and Morgan Stanley.

The U.S.'s biggest bank is also a travel agency for big spenders and a media company serving up restaurant recommendations. Its Morgan Health unit is trying to transform employer-sponsored healthcare. The Institute, its D.C. think tank, advises government decision makers using the bank's reams of cus-

Please turn to page A4

Epstein Seemed to Threaten Microsoft's Gates Over Affair

By Khadeeja Safdar and Emily Glazer

Jeffrey Epstein discovered that Bill Gates had an affair with a Russian bridge player and later appeared to use his knowledge to threaten one of the world's richest men, according to people familiar with the matter.

The Microsoft co-founder met the woman around 2010, when she was in her 20s. Epstein met her in 2013 and later paid for her to attend software coding school. In 2017, Epstein emailed Gates and asked to be reimbursed for the cost of the course, according to the people familiar with the matter.

The email came after the convicted sex offender had struggled and failed to persuade Gates to participate in a multibillion-dollar charitable fund that Epstein tried to establish with JPMorgan Chase. The implication behind the message, according to people who have viewed it, was that Epstein could reveal the affair if Gates didn't keep up an association between the two men.

"Mr. Gates met with Epstein solely for philanthropic purposes. Having failed repeatedly to draw Mr. Gates beyond these matters, Epstein tried unsuccessfully to leverage a past relationship to threaten Mr. Gates," said a spokeswoman for Gates.

Epstein was accused in 2006 of sexually abusing girls as young as 14 and pleaded guilty in 2008 to soliciting and procuring a minor for prostitution. He spent time in a Florida jail and registered as a sex offender. After the Miami Herald reported on dozens more women who said they were abused, he was arrested in 2019 on sex trafficking charges. He died later that year in jail while awaiting trial in what the medical examiner ruled was a suicide.

Gates, 67 years old, a tech-

Please turn to page A2

Bud Light Blundered In Response to Backlash

Handling of fallout from transgender promotion created more anger

By Jennifer Maloney

Budweiser's Clydesdale horses still live in St. Louis, Mo., where its brewer, Anheuser-Busch, has been making beer since the 1850s.

The company's marketing hub is about 950 miles away in Manhattan's Chelsea neighborhood. Employees can brainstorm in the break room while helping themselves to beer on tap, or take a drink up to the roof deck.

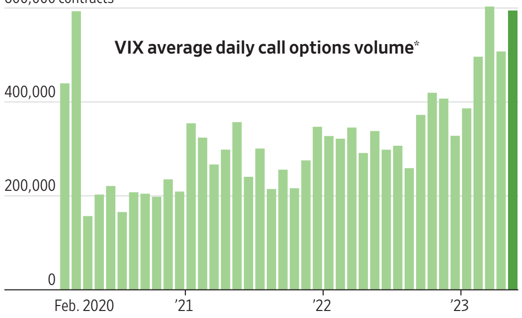
These two sides of the Budweiser empire collided in spectacular fashion in March, when Bud Light's marketers arranged for a personalized can of Bud Light to be sent to a transgender social-media star. The promotion and its aftermath made the brewer an object lesson in how not to handle a culture-war storm.

Alissa Heinerscheid, the first woman in Bud Light's four-decade history to run its marketing, had devised a strategy to combat the beer's long-declining sales by appealing to a wider swath of customers, including more women and younger adults. Parent company Anheuser-Busch InBev embraced the plan and pledged to increase U.S. marketing spending on Bud Light

Please turn to page A10

Debt Talks Fuel Volatility Bet

As the U.S. government lurches closer to possibly missing debt payments, some investors are betting on a rise in the Cboe Volatility Index, known as Wall Street's fear gauge. **B1**



Note: Monthly data, through May 19

Sources: Cboe Global Markets

Want a Printed Airline Boarding Pass? Be Ready to Shell Out $25

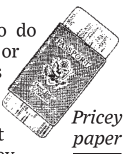
* * *

Nickel-and-diming tests patience and pocketbooks of exasperated travelers

By Jacob Passy

Like some airline passengers, Laurie Ulster has anxiety about flying.

Hers has nothing to do with engine trouble or turbulence. Ulster frets about relying on her phone to display her mobile boarding pass at the boarding gate. For every flight, she prints it out at home or at the airport.



Pricey paper

"I want to have that piece of paper," said Ulster, a 57-year-old writer and copy editor in Pelham, N.Y. "I just tuck it into my passport. There's no worries about preserving the battery on my phone."

The fear of fumbling around with a phone at the gate while impatient travelers harrumph behind you—or, worse, getting hobbled by a dying battery or dodgy Wi-Fi—gets some passengers more anxious about boarding the plane than flying at 35,000 feet.

Airlines looking to save time

Please turn to page A10

INSIDE

ANDREW REDINGTON/GETTY IMAGES

SPORTS
Brooks Koepka, of the Saudi-backed LIV Golf league, wins the PGA Championship. **A14**

Fraud Concerns Delay Pandemic Tax Break

By Richard Rubin And Ruth Simon

The Internal Revenue Service has paid out more than $150 billion amid a surge of claims for an expired pandemic-era tax break for small businesses. Agency officials are wading through another roughly 800,000 returns that need processing—and more are still arriving.

The continued flood of claims for the employee-retention tax credit is straining the IRS, which is caught between pressure to process refunds quickly and concerns about paying money that businesses don't deserve. The agency has repeatedly warned about advisers who are encouraging employers to file returns that stretch or flout eligibility requirements. Small-business owners, meanwhile, complain about monthslong waits for much-needed tax refunds.

"It's along the spectrum of very aggressive to fraudulent," Douglas O'Donnell, the IRS deputy commissioner for services and enforcement, said of some refund requests. "We recognize that this is going slowly. We are very worried about the illegitimate claims."

The tax credit lapsed in late

Please turn to page A9

VISIT…

LANZAROTE Caliente.com

THE OUTLOOK | By Peter Landers

Japan Finds Its Spark, and CEOs Take Note

Tokyo

You would think this was the capital of a fast-growing Asian tiger economy the way American CEOs are flocking here these days. Apple's Tim Cook, Google's Sundar Pichai, OpenAI's Sam Altman, Intel's Patrick Gelsinger and Warren Buffett are among the bosses to show up in recent months. Better reserve in advance if you want the hotel's executive suite.

Japan is a mature economy, not a tiger. CEOs are warming to Japan because it is the un-China.

It is a democracy, a U.S. ally and a safe place to share technology. Memory-chip maker **Micron Technology** just said it would put $3.6 billion into its Japanese plant, with Tokyo kicking in a chunk.

On Friday, the Nikkei Stock Average hit its highest level since 1990. First-quarter growth was a better-than-expected 1.6% annualized. The Bank of Japan forecasts output will grow 1.4% in the fiscal year ending next March, surpassing the prepandemic peak.

Japan might even be exiting its chronic cycle of flat to falling prices known as deflation, weak wages and corporate cash hoarding. Inflation is running at between 3% and 4%. More importantly, wage growth is beginning to catch up, with the leading labor federation reporting an increase of 3.67% after spring wage negotiations, the highest in three decades.

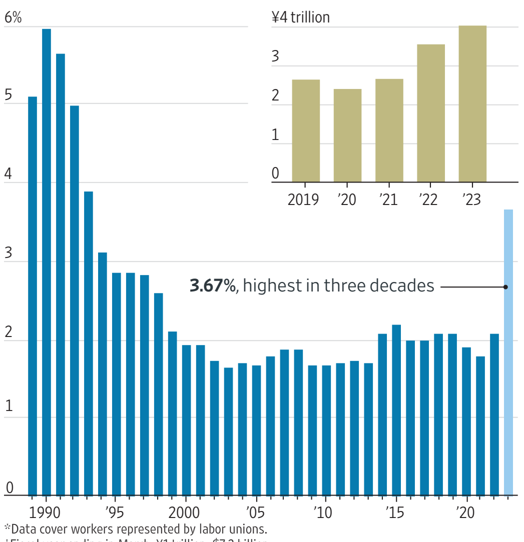
One reason is that the shortage of workers has worsened again. In response, Japan is planning to open the spigot wider to foreign workers and give more of them a chance to live in the country permanently with their families.

Prime Minister Fumio Kishida has a spring in his step after hosting President Biden and other Group of Seven leaders in his family's hometown of Hiroshima. The images of Kishida greeting Ukrainian President Volodymyr Zelensky in Hiroshima Sunday should buttress his approval ratings and help his Liberal Democratic Party win elections expected as soon as July.

Japan's politics may be dull, but for investors and CEOs, that beats the mercurial crackdowns led by China's authoritarian leader or the game of chicken in the U.S. over whether to pay its debts.

Another reason to take a look at Japan: G-7 leaders' embrace of "de-risking and diversifying" from China. ("We are not decoupling," they also said, less convincingly.)

Japanese executives have generally shuddered at the U.S.-China chill or pretended it doesn't exist. A sudden cutoff of exports to China would hit hard. But the more gradual transition under way, including the push by the Biden administration and the European Union to build manufacturing at home, in many ways plays to Japan's strengths.



*Data cover workers represented by labor unions.
†Fiscal year ending in March. ¥1 trillion=$7.2 billion
Sources: Rengo labor federation (wage increases); Japan Ministry of Finance (exports)

While the world buys fewer Japanese brand-name products these days, smartphones, computer servers and electric vehicles still have a lot of Japan inside them. When a Taiwanese company invests $40 billion in chip plants in Arizona, some of those billions are actually going to Japan to buy chip-making machines and materials.

Japan's exports in yen terms have risen 43% over the past two years to a record of more than $700 billion in the year ended in March.

Biden administration officials trying to revive U.S. manufacturing could only salivate over the categories dominating Japan's export list—semiconductor machinery, construction machines, iron and steel, and so on.

Americans of a certain age who recall copying vinyl music albums onto **TDK** cassette tapes might be surprised to learn the company is now a top maker of sensors and other little gizmos inside electric vehicles. Its revenue rose 14% in the year ended in March to a record of nearly $17 billion.

Much could go wrong. Relations with China could deteriorate more rapidly. Japan is vulnerable to a rise in the price of fossil fuels, which are almost entirely imported. And Kishida still hasn't found a lasting answer to Japan's shrinking population and low productivity relative to the U.S.

Japanese policy makers have a record of shooting themselves in the foot. In 1997, 2014 and 2019 they raised taxes, chopping off green shoots of economic growth. Kishida is weighing further increases, though only after he is re-elected. The Bank of Japan, on the verge of defeating deflation, faces a tricky task of exiting ultra-stimulative monetary policies without damaging interest-rate increases or market turmoil.

For now, the winds are blowing Japan's way. IBM just said it would put $100 million into a partnership with the University of Tokyo and the University of Chicago to build a better quantum computer—a deal that would be impossible in China.

"There's a much larger specialty chemicals and specialty materials capability in Japan than people realize," said IBM's CEO, Arvind Krishna. "There's a lot of both commercial and academic skills that lie in Tokyo." He spoke in an interview last week just before packing his bags for a business trip to—where else?—Japan.

—Chieko Tsuneoka contributed to this article.

Epstein-Gates Tensions

Continued from Page One

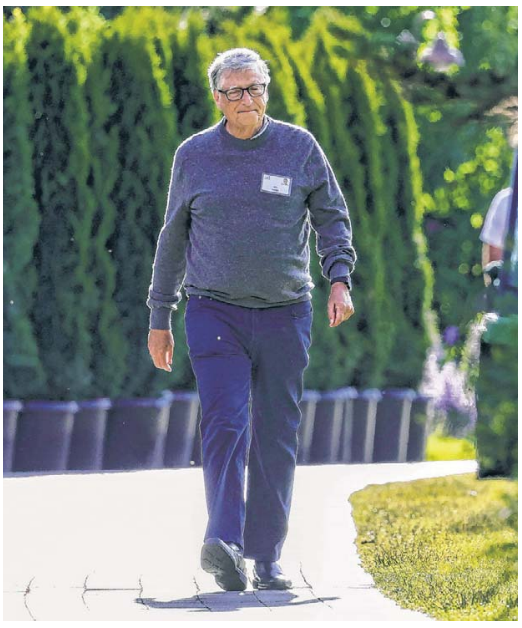
nology adviser to Microsoft and one of its largest shareholders, has said he met Epstein a few times only to discuss philanthropy, which he regrets and calls a mistake.

Mila Antonova, the Russian bridge player, declined to comment on Gates and said she didn't know who Epstein was when they met. "I had no idea that he was a criminal or had any ulterior motive," she said of Epstein. "I just thought he was a successful businessman and wanted to help." She added: "I am disgusted with Epstein and what he did."

The new details about Epstein and Gates reveal a layer of complexity to their relationship, and shed new light on how Epstein operated. In the years between his 2008 conviction and death, Epstein packed his days meeting with politicians, businessmen, academics and celebrities. He provided favors and sought to use the connections for his own purposes. And when the relationships soured, he could turn against people.

Gates, with a net worth in excess of $100 billion and one of the world's biggest philanthropists, was among the most well-known names in Epstein's calendar.

Starting in 2011, Gates had more than a half dozen meetings scheduled with Epstein, including dinners at Epstein's New York townhouse, documents show. Gates flew on Epstein's private plane from New Jersey to Florida in March 2013, according to flight records. That same month the two men met in France with an official on the Nobel Peace Prize committee. They spent much of a day together in New York City in September 2014 meeting other billionaires, the Journal reported.



FROM LEFT: KEVIN DIETSCH/GETTY IMAGES; SPLASH NEWS

Bill Gates, left, and Jeffrey Epstein, right, had a more complicated relationship than was previously known. Below: Mila Antonova discussed playing bridge with Gates in a video posted online.

Gates has said he learned to play bridge from his parents, and the card game became one of his favorite hobbies. Gates played with Antonova, another devotee of the game. She attended a university in Russia between 2000 and 2005, according to her LinkedIn profile. She later founded a bridge club in the U.S. before taking on several roles as a software engineer in the Bay Area, her LinkedIn profile shows.

Bridge lessons

In a video posted online in 2010, Antonova talked about meeting Gates at a bridge tournament and playing against the Microsoft co-founder. "I didn't beat him but I tried to kick him with my leg," she said in the video.

Antonova had an idea to start an online business to teach people how to play bridge and she sought funds for it, according to documents viewed by The Wall Street Journal. Boris Nikolic, a Gates confidant and top science adviser at the time, who also knew Epstein, introduced Antonova to Epstein to help her raise the funds, the documents show.

Nikolic said when he first met Epstein, it was in his capacity as Gates's scientific adviser and they discussed philanthropic proposals. "I deeply regret that I ever met Epstein," Nikolic said. "His crimes were despicable. I never saw anything like his illegal behavior. My heart goes out to his victims and their families."

Antonova and Nikolic met at Epstein's townhouse in November 2013 where she presented her proposal to Epstein, who provided feedback, documents show. She was looking to raise $500,000 for the venture, which she called BridgePlanet. Its mission was to "promote bridge by creating quality tutorials for beginners and advanced players."

On Nov. 9, Antonova wrote an email to thank Epstein for the meeting and reviewing the proposal. Epstein ultimately didn't invest in the project, Antonova said.

The next year, in November 2014, Antonova stayed briefly at an apartment in New York City provided by Epstein. "I didn't interact with him or with anyone else while there," she said.

After she failed to secure funding for BridgePlanet, Antonova said she decided to become a software programmer, and asked several people to lend her money for a programming boot camp.

"Epstein agreed to pay and he paid directly to the school. Nothing was exchanged. I don't know why he did that," she said. "When I asked, he said something like, I was wealthy and wanted to help people when he could."

JPMorgan link

While he was meeting with Gates, Epstein also had multiple meetings scheduled with other people close to Gates, including Nikolic, former Microsoft executive Nathan Myhrvold and Gates Foundation staffer Melanie Walker, the documents show.

"Mr. Epstein was a regular at TED conferences and he was a large donor to basic scientific research. That is how and why Nathan knew him and that's exactly where their association ends," said a spokeswoman for Myhrvold.

"I should never have associated with him—and now I am thankful that he never invested in my endeavors," said Nikolic. A spokesman for Ms. Walker declined to comment on her meetings with Epstein.

At the time, Epstein was trying to set up a multibillion-dollar charitable fund with JPMorgan that would potentially pool money from some of the world's wealthiest people. Epstein proposed that JPMorgan set up the fund with a minimum $100 million contribution per individual and pay him millions of dollars in fees, the documents show. In addition to the fees, the disgraced financier saw the fund as a way to rehabilitate his reputation, according to people he told of his thinking. It hinged on securing support from Gates, the documents show.

Epstein's messages, which were peppered with typos and spelling errors, tried to give the impression that he was a close Gates adviser. Gates wasn't included on emails reviewed by the Journal. The Gates spokeswoman has said Epstein never worked for Gates and misrepresented their ties in communications with JPMorgan and others.

"In essence this [fund] will allow Bill to have access to higher quality people , investment , allocation , governance without upsetting either his

> Gates was among the most well-known names in Epstein's calendar.

marriage or the sensitivites of the current foundation employees," Epstein wrote on Aug. 16, 2011 to two top JPMorgan executives, Jes Staley and Mary Erdoes.

The next day Epstein wrote, "Bill is terribly frustrated. He woud! like to boost some of the things that are working without taking away from those that are not."

On Oct. 2, he sent another email to Staley and Erdoes criticizing a presentation that JPMorgan had prepared on the project. "the presentation , is not tailored to bill.. He is the only person , the only one, that counts."

The charitable fund never got off the ground. "The firm didn't need him as a client," a JPMorgan spokesman said of Epstein. "The firm didn't need him for introductions. Knowing what we know today, we wish we had never done business with him." A spokesman for the bank said Erdoes declined to comment. A lawyer for Staley, who is no longer at JPMorgan, didn't respond to a request for comment. Staley has previously said he regrets his friendship with Epstein.

Relationship troubles

While he was working on the charitable fund, Epstein met in 2013 with Gates and Norwegian officials who were visitors to Epstein's townhouse. Epstein told one former Gates Foundation employee that he knew the Norwegians, and could help Gates win a Nobel Peace Prize for his efforts to eradicate polio.

Gates and Epstein met together in March in Strasbourg, France, at the home of Thorbjørn Jagland, then chair of the Nobel Peace Prize committee. That September, Epstein scheduled a meeting with Gates, Jagland and others at his townhouse, the documents show.

"Our documents show that Mr. Gates met with Norwegian officials to discuss the security situation in Afghanistan as part of Mr. Gates' work on polio eradication," said the Gates spokeswoman. "Mr. Gates has never been focused on or campaigned for the Nobel Peace Prize, or any other prize." Jagland didn't respond to requests for comment. He has previously said the prize wasn't a topic for discussion during the Strasbourg meeting.

Several years of discussions with JPMorgan, Gates and others failed to yield the charitable fund for Epstein or Gates's commitment to it.

In 2017, Epstein contacted Gates about the Russian bridge player, years after the relationship had ended, according to people familiar with the matter. He sent an email to Gates asking to be reimbursed for the costs of Antonova's coding school, the people said.

The sum was immaterial for the two men and the tone of the message was that Epstein knew about the affair and could expose it, the people said.

The spokeswoman for Gates said he didn't make a payment. "Mr. Gates had no financial dealings with Epstein," she said.

Days before he died in 2019, Epstein changed his will and named Nikolic as a backup executor. Nikolic said Epstein didn't discuss the idea with him beforehand, and that he subsequently declined to serve.

"He couldn't have listed Bill because that would have been too obvious, so he chose me," he said. "I have come to believe it was likely a retaliatory move against Bill Gates."

—David Benoit contributed to this article.

CORRECTIONS & AMPLIFICATIONS

Reporter Stu Woo's last name was misspelled as Wo in a Page One article on Thursday about Montana banning TikTok.

Readers can alert The Wall Street Journal to any errors in news articles by emailing **wsjcontact@wsj.com** or by calling 888-410-2667.

THE WALL STREET JOURNAL
(USPS 664-880) (Eastern Edition ISSN 0099-9660)
(Central Edition ISSN 1092-0935) (Western Edition ISSN 0193-2241)
Editorial and publication headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036
Published daily except Sundays and general legal holidays.
Periodicals postage paid at New York, N.Y., and other mailing offices.
Postmaster: Send address changes to The Wall Street Journal, 200 Burnett Rd., Chicopee, MA 01020.
All Advertising published in The Wall Street Journal is subject to the applicable rate card, copies of which are available from the Advertising Services Department, Dow Jones & Co. Inc., 1211 Avenue of the Americas, New York, N.Y. 10036. The Journal reserves the right not to accept an advertiser's order. Only publication of an advertisement shall constitute final acceptance of the advertiser's order.
Letters to the Editor: Fax: 212-416-2891; email: wsj.ltrs@wsj.com
Need assistance with your subscription?
By web: customercenter.wsj.com; By email: wsjsupport@wsj.com
By phone: 1-800-JOURNAL (1-800-568-7625)
Reprints & licensing: By email: customreprints@dowjones.com | By phone: 1-800-843-0008
WSJ back issues and framed pages: wsjshop.com
Our newspapers are 100% sourced from sustainably certified mills.

GOT A TIP FOR US? SUBMIT IT AT WSJ.COM/TIPS

Doctors, Hospitals Ending Mask Mandates

By Melanie Evans

Hospitals and clinics across the U.S.—some of the last bastions requiring masks and Covid-19 tests—are ending the mandates.

In Boston, Mass General Brigham earlier this month stopped screening hospitalized patients without symptoms, a common practice during the pandemic to catch undiagnosed infections before they spread. Hospitals in California, Nebraska and New York have also halted the requirements.

Meanwhile, doctor's offices and hospitals in Oregon, Virginia and Minnesota have rolled back requirements that patients wear masks in recent weeks, in some cases after states and communities had dropped policies.

"I felt like it was time," said Christi Siedlecki, a nurse and chief executive of Grants Pass Clinic in southwest Oregon. Under the clinic's new policy, patients and staff no longer must wear masks, unless they have symptoms suggesting they are sick.

Requirements to mask and test for Covid-19 were a staple of the response to the pandemic, precautions that shaped how many Americans lived during the crisis—and for some, a source of anger.

The ending of masking and testing requirements at many hospitals and doctors' offices is another sign of the U.S. moving past measures put in place starting in early 2020.

Now, many Americans have immunity from vaccinations and infections, and hospitalizations and deaths have fallen to near new lows in the U.S. The federal government formally ended the public-health emergency on May 11.

Momentum for the moves was growing in recent months as state and local agencies rolled back their own mask requirements and some infectious-disease associations and public-health agencies recommended dialing back precautions, doctors and executives involved in the decisions said.

The changes faced some pushback from infectious-disease specialists.

The changes have sparked pushback from some doctors and infectious-disease specialists, who say keeping the precautions would protect elderly patients with chronic conditions, people with weakened immune systems and others who are vulnerable to infection, especially if new variants emerge.

"We are putting patients at risk," said Dr. James Lawler, an infectious-disease specialist at the Global Center for Health Security at the University of Nebraska Medical Center.

Lawler said he objected when Nebraska Medicine, a two-hospital system affiliated with the university, loosened mask requirements in April.

Patients were pressuring the system to loosen its mask policy after other hospitals and clinics stopped requiring them, said Suzanne Nuss, chief nursing officer at Nebraska Medicine, which also includes more than 70 clinics across the state. "That's not good for business," she said.

Executives decided to proceed, despite pushback from doctors, based on factors such as lower levels of local infections indicated by wastewater tracking, Nuss said. "We just decided it was time," she said. Nebraska Medicine didn't see staff or in-house patient infections rise after the switch, she added.

Other hospitals and clinics said they followed the latest recommendations from public-health experts. The Centers for Disease Control and Prevention in September said widespread masking can be rolled back with less transmission of the virus.

Above, migrants gathered between primary and secondary border fences in San Diego earlier this month before the expiration of the pandemic border policy Title 42.

MIKE BLAKE/REUTERS

Cities Grapple With Migrant Influx

An influx of migrants arriving in several American cities is straining budgets and shelter resources, inflaming political tensions and sparking fights over who should pay to accommodate them.

By Jimmy Vielkind in Newburgh, N.Y., Alicia A. Caldwell in El Paso, Texas, and Joe Barrett in Chicago

A major dilemma is finding beds for the new arrivals, many of whom were released by federal authorities after entering the U.S. illegally to claim asylum. In New York City, "asylum seekers are now approaching half the folks in the shelter system, and therefore half the cost of the shelter system," said Comptroller Brad Lander, a Democrat.

Border cities such as El Paso, where one shelter served 250% more people last year than before the pandemic, feel the impact of migrant arrivals first. Then migrants often travel to other communities around the U.S., where some rely on emergency shelter from local governments or aid groups.

"These people are here, and if you don't take care of them, they're going to become the homeless," said Appaswamy "Vino" Pajanor, CEO of Catholic Charities San Diego.

New arrivals won't be allowed to legally work until several months to more than a year after they have filed an asylum application in immigration court. But migrants have long been able to find jobs in the underground economy.

A Venezuelan migrant applied makeup at the campsite outside Sacred Heart Church in El Paso, Texas.

ANDRES LEIGHTON/ASSOCIATED PRESS

Cities and states are pouring money into services for migrants. California has spent a total of $1.2 billion on a program to temporarily shelter and assist migrant arrivals after launching it with an investment of $25 million in 2019. Democratic Gov. Gavin Newsom said his state can't sustain that level of funding and called for the federal government to step in.

Between May 1 and the expiration of the pandemic border policy Title 42 on May 11, tens of thousands of migrants crossed the border out of fear it would become tougher to claim asylum under new rules that went into effect the following day. That surge has faded since Title 42 expired.

Massachusetts is required by law to provide shelter for homeless families. Data from mid-May show there were 4,437 homeless families sheltered in the state, up 45% from a year earlier. The state estimates roughly one-third of new families arriving in these shelters, including motels around the state, are migrants.

Denver recently had 1,145 migrants sheltered in non-city facilities and an additional 148 in city facilities. That is down since earlier this year but up from below 400 in late April and the start of May.

As of Tuesday, there were 3,864 migrants in Chicago shelters, up from 3,106 on May 5, city officials said. Some 307 migrants were in newly opened temporary shelters. An additional 514 slept on the floor in the lobbies of police stations.

Last year, Texas and Arizona began paying to bus recently arrived people to northern states including New York, arguing they should share more of the cost. The city of El Paso also started a busing program last year. Additionally, court decisions have established a legal right to shelter that guarantees temporary housing for anyone in New York City who needs it.

As of May 14, New York has opened 140 emergency shelters, mostly in hotels, as well as various relief centers such as a cruise-terminal building and at one point a tent city. There were 42,400 asylum seekers in the city's care Wednesday, mostly in homeless shelters where the overall population reached a record 80,736, according to officials.

Chicago has received 9,486 migrants since August, including 5,340 on buses chartered by southern states and cities, officials said.

Jesus Zambrano and Daniela Plaza, a married couple who have been sleeping on the floor of a Chicago police station for several days, said they left their 12-year-old daughter behind in Venezuela because they worried she wouldn't be able to handle the arduous journey to the U.S.

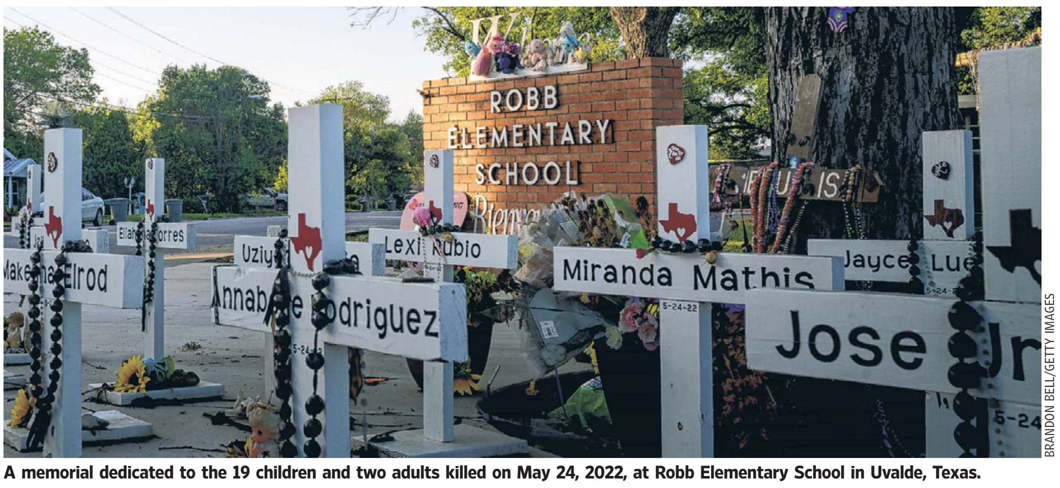
New York City Mayor Eric Adams, a Democrat, has estimated the city will pay $4.3 billion to care for migrants through July 2024. To relieve the burden on city shelters, Adams has begun busing migrants upstate.

Venezuelan native Jorge Requíz recently arrived on an Adams-chartered bus in the town of Newburgh after first traversing the treacherous Darién Gap in Panama, making his way into Mexico, crossing the Rio Grande to Brownsville, Texas, taking a bus to San Antonio, and flying to New York City. "I wanted to rest my body after this trip," the 43-year-old said.

Jesus Cova, a 28-year-old electrical engineer from Venezuela, said he and other newcomers want to improve their family's lives. "I'll work whatever job," he said. "I didn't come here to wait."

Watch a video

Scan this code for a video on the end of the Title 42 border policy.



A memorial dedicated to the 19 children and two adults killed on May 24, 2022, at Robb Elementary School in Uvalde, Texas.

BRANDON BELL/GETTY IMAGES

Uvalde Families Still Seek Answers

By Elizabeth Findell

UVALDE, Texas—A year ago Wednesday, a gunman marched into Uvalde's Robb Elementary School, shut himself in a classroom and massacred 19 fourth-graders and two teachers while hundreds of police officers stood outside.

Those connected to the victims and their advocates have spent the past year battling for information and legislation. Some of their neighbors, however, want the noise to stop.

The Robb Elementary attack shocked the world. Law enforcement waited to intervene for more than an hour, even as children within the classroom called 911 begging for help. When a Border Patrol tactical team finally entered and took down the killer, they saw he had written 'LOL' on a white board with the victims' blood.

Now, with the one-year mark approaching, this South Texas town of 15,400 is divided over how to move forward. Many families of those killed and their advocates continue to be vocal in their efforts to get information while officials say that investigation of the incident has to take priority over releasing information.

Parents of victims and other residents have been kicked out of government facilities and banned from public meetings. "People tell them 'Stop, you need to move on, you're splitting our town apart,' " said Eulalio "Lalo" Diaz, the justice of the peace whose job included pronouncing most of the victims dead at the scene. He added that he saw the retirement of school superintendent Hal Harrell in October 2022 as a turning point.

After the shooting, the school district fired its campus police chief, Pete Arredondo, who was commander at the scene. City police Lt. Mariano Pargas retired after the city announced an investigation into his actions, though he remains an elected county commissioner. The Texas Department of Public Safety served termination papers to two of its state troopers.

Most of the district's central administration has turned over, according to interim Superintendent Gary Patterson. The district suspended the remaining officers in its campus force more than four months after the attack. That followed a critical CNN report about a recent hire and a campaign by Brett Cross, the guardian of one of the children killed, who camped outside school district offices for 10 days in protest.

At the state Capitol in Austin, where lawmakers are finishing up a biennial legislative session, Uvalde families showed up repeatedly to push a bill that would have raised the age to buy some semiautomatic rifles from 18 to 21. They waited some 13 hours to testify in the middle of the night. As a calendar committee let a deadline pass without setting the bill for a vote, state police removed Cross from the building.

State Sen. Roland Gutierrez, a Democrat who represents the district, teared up during a speech on the Senate floor Thursday night, speaking of his frustration that the age-raising measure failed. "I tried to be nice and then I got angrier and angrier and I've been angry for a long time," he said.

Many have spent the past year battling for information and legislation.

Gutierrez has also been vocal about his frustrations regarding information being blocked. Uvalde-area District Attorney Christina Mitchell ordered local and state agencies not to release any information related to the shooting.

Josh Koskoff, an attorney who is representing the families of 16 Uvalde children killed and one survivor, said he has unsuccessfully sought access from Mitchell's office to information about the shooting. Information sealed by the office includes the preliminary state report, law-enforcement communications, and information surrounding a medical review of whether any victims could have survived with earlier intervention.

Mitchell said in an email this week that she has kept families updated and that she is waiting for a final investigation from the state before her office considers whether to recommend criminal charges.

As the one-year mark of the shooting nears, the approaches of city officials and the shootings' victims remains starkly different. Arnulfo Reyes, a teacher who survived being shot, was denied permission to place orange flags in honor of gun violence awareness on city property, he said.

Officials signed and distributed a statement asking outsiders to stay away so the community could grieve privately.

That same day, Lives Robbed, an organization made up of families of the children killed, issued a statement saying the opposite. "Families of those we lost on May 24, 2022 invite visitors from all over the world to join us for a candlelight vigil," it read.

NAACP Issues Florida Advisory

By Ginger Adams Otis

The NAACP issued a travel advisory for Florida over the weekend to warn potential tourists of state laws and policies that the group sees as hostile to LGBT people and people of color.

The advisory is in response to Gov. Ron DeSantis's "aggressive attempts to erase Black history" and restrict diversity, equity and inclusion programs in Florida schools, the advisory said.

Tourists should understand that "Florida is openly hostile toward African-Americans, people of color and LGBTQ+ individuals," said the NAACP, a longstanding advocacy group for Black Americans.

Two other civil rights groups—the League of United Latin American Citizens and Equality Florida, a gay rights advocacy group—have issued similar advisories about the Sunshine State, which relies heavily on tourism.

DeSantis's office didn't respond to an email seeking comment Sunday.

In January, the DeSantis administration rejected an Advanced Placement African-American high school studies course developed by the College Board. DeSantis, who signed a bill into law last year that barred public schools and private employers from mandating certain types of racial-sensitivity instruction, said the course advanced a political agenda.

"We believe in teaching kids facts and how to think but we don't believe they should have an agenda imposed on them," he said in his initial objections to the curriculum.

The NAACP said DeSantis's actions were in "direct conflict with the democratic ideals that our union was founded upon."

Biden, McCarthy Set to Meet on Debt

President Biden and House Speaker Kevin McCarthy agreed to meet Monday afternoon in a last-ditch effort to reach a deal to avoid a default on U.S. sovereign debt after negotiations to raise the federal borrowing limit reached an impasse.

By Siobhan Hughes and Andrew Restuccia in Washington and Ken Thomas in Hiroshima, Japan

Talks between White House and House Republican negotiators largely ground to a halt this weekend, with both sides blaming the other for a failure to bridge their differences over spending levels.

Following a Sunday afternoon phone call with the president, McCarthy said negotiators remained far apart. "There's no agreement," the California Republican said.

The two leaders instructed their teams to resume talks, and on Sunday night the negotiators huddled on Capitol Hill for roughly 2½ hours. Steve Ricchetti, a senior Biden adviser, said after the meeting the negotiators would keep talking.

Earlier Sunday, during a news conference in Japan on the sidelines of the Group of Seven summit, Biden took a sharper tone on budget negotiations, saying that House Republicans have taken "extreme positions." He added their current proposal is "unacceptable."

"It's time for Republicans to accept that there is no bipartisan deal to be made solely—solely—on their partisan terms," Biden said. "They have to move as well."

The president's tough words were a departure from the upbeat posture he has taken in recent days and more in line with some of the statements issued by White House officials who have been warning that talks are breaking down. At the core of the stalemate are fundamental disagreements about spending levels, according to lawmakers, aides and White House officials. Republicans are pressing for deeper reductions than Democrats will accept.

"I do not think it's extreme that we simply say we should spend less than we spent this year," McCarthy said on Fox News on Sunday.

McCarthy said spending in the coming fiscal year must be lower than it was last year. But he stopped short of saying such spending should be reduced to levels set in fiscal year 2022, as Republicans have previously demanded.

"The speaker has been very clear: a red line is spending less money and unless and until we're there the rest of it is really irrelevant," said Rep. Garret Graves (R., La.), one of the Republican negotiators.

House Republicans have asked for caps on spending increases to over 10 years. The White House has proposed two years of caps.

People familiar with the White House's position said its latest proposal kept nondefense and defense discretionary spending flat from fiscal 2023 to fiscal 2024. McCarthy said the White House had sought to increase spending in fiscal 2024, an assertion White House officials reject.

The White House has privately accused Republicans of expanding their demands during the negotiations, according to people familiar with the matter. The people said GOP negotiators proposed a new measure to tighten work requirements for food stamps, and pushed for including parts of the Republican-backed immigration bill that passed the House earlier this month.

McCarthy's office didn't respond to a request for comment on what negotiators had proposed. But McCarthy, in remarks to reporters, was noncommittal on whether immigration provisions should be included in the final agreement.

Leaders in Washington are rushing to come up with a deal to lift the borrowing limit. If they are unable to do so, the country might be unable to pay all of its bills as soon as June 1, according to the Treasury Department. Appearing Sunday on NBC, Treasury Secretary Janet Yellen said the "odds of reaching June 15th, while being able to pay all of our bills, is quite low."

Biden, earlier Sunday, said a sticking point was taxes, noting that Republicans want to close the deficit solely via cuts in spending and aren't entertaining any new revenue sources such as rolling back the tax cuts approved under former President Donald Trump. McCarthy said the president has long been aware that Republicans wouldn't agree to tax increases.

◆ Investors shelter against default........................ B1

Kashkari Open to Fed Pause In Rates

By Nick Timiraos

Minneapolis Fed President Neel Kashkari said he could support holding interest rates steady at the central bank's next meeting to give officials more time to assess the effects of past rate increases and the inflation outlook.

"I'm open to the idea that we can move a little bit more slowly from here," he said in an interview Friday.

The Federal Reserve has raised its benchmark federal-funds rate rapidly over the past year to fight inflation, most recently this month to a range between 5% and 5.25%, a 16-year high.

Officials have indicated their decision on whether to raise rates at their June 13-14 policy meeting could be a close call. A handful have said inflation and economic activity aren't slowing enough to justify leaving rates unchanged. But others, including Fed Chair Jerome Powell, have hinted that they might skip a rate rise to better study the potentially lagged effects of the rapid rate increases.

"I would object to any kind of declaration that we're done. If the committee chooses to skip a meeting because we want to get more information, I could make the argument why that makes sense," Kashkari said.

He said he was sensitive to the delayed impact of the Fed's rapid rate increases and to a potential credit crunch from higher bank-funding costs that resulted from the failure of three midsize lenders since March.

In addition, while inflation wasn't declining as quickly as officials had hoped, "it does seem to be coming down," Kashkari said. "It is at least not getting worse. And then you add the uncertainties about the banking sector, and are the stresses really behind us? Are there more stresses yet to emerge? I think that does give us some reason to say, 'Hey, let's go a little bit slower.' "

Three Scenarios in Washington Showdown

By Sarah Chaney Cambon

Prolonged debt-ceiling squabbling could push the U.S. economy into recession, while a government default on its obligations might touch off a severe financial crisis.

Lawmakers are negotiating over raising the federal government's borrowing limit and may have just days to act before the standoff reverberates through the economy.

Treasury Secretary Janet Yellen said the government could become unable to pay bills on time by June 1. In that case, the Treasury Department could halt payments, such as to federal employees or veterans. In a worst-case scenario, a failure to pay holders of U.S. government debt, a linchpin of the global financial system, could trigger a severe recession and send stock prices plummeting and borrowing costs soaring.

Many economists don't expect a default. They outline three ways the standoff could affect the economy and financial system.

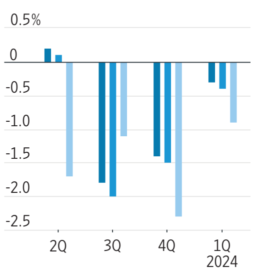
A last-minute deal

The economy is already slowing due to rising interest rates, with many forecasters expecting a recession this year. While lawmakers haggle, uncertainty could cause consumers, investors and businesses to retrench, increasing the chances of a recession, said Joel Prakken, chief U.S. economist at S&P Global Market Intelligence.

Workers aren't likely to lose their jobs, but the unpredictability of the economic outlook could cause them to put off purchases. Stock prices could start to decline as June 1 nears.

In 2011, when Congress raised the debt ceiling just hours before a deadline, stocks fell and took months to recover, Prakken said. In the aftermath, the nation's credit rating was downgraded.

"Even if we get an agreement before we run out of resources there still could be a legacy effect of the uncertainty that restrains economic growth," Prakken said.



Note: Seasonally and inflation adjusted annual rate
Source: UBS

A post-deadline deal

If negotiations extend beyond June 1, economists expect a more severe reaction from financial markets, and the possibility for default looks more real.

"The shock would tend to accelerate quite rapidly" on June 1, said Gregory Daco, chief economist at Ernst & Young.

If consumers' retirement and investment accounts suddenly shrink, they could sharply curtail their spending, the lifeblood of the U.S. economy. Businesses could pause hiring and investment plans.

There is a possible window between June 1 and any missed payments. Yellen wrote that the actual date Treasury exhausts its cash could be days or weeks later than estimated.

Another possibility is that for a short time, the government gives priority to debt payments over others, such as Social Security benefits. Economists at UBS say that would have a notable, but less-severe, economic impact than a debt default. They estimate under that scenario GDP would contract at a 2% annual rate in the third quarter, and shrink further in the fourth quarter. Employers would shed 250,000 jobs in the second half of the year.

The silver lining of an economic downturn: Inflation would likely come down, as the Federal Reserve wants.

No deal

If no deal is reached and the government can't pay all its bills for days or weeks, repercussions would be enormous.

"There would be chaos in the global financial system because Treasurys are so important," said Wendy Edelberg, an economist at the Brookings Institution.

Ernst & Young's Daco said a default would trigger a recession more severe than the 2007-09 downturn.

The value of Treasurys would fall, as investors sell off and possibly permanently reduce their holdings. Missed payments would disrupt multitrillion-dollar global flows in short-term dollar borrowing, which are critical to how banks and companies fund operations.

Unlike in the 2020 Covid-19 recession—when the economy shed more than 20 million jobs but the government pumped trillions of dollars of stimulus—Washington would be unable to offer support, a White House report said.

JPMorgan Sets Sights Even Bigger

Continued from Page One

tomer spending, saving and borrowing data.

When the banking system faced a crisis of confidence this spring, JPMorgan's heft was a ballast. Customers sent it $50 billion in new deposits. Employees at stricken banks sent résumés. Treasury Secretary Janet Yellen called CEO Jamie Dimon for help.

Yet JPMorgan's show of strength, for many, exposed a weakness in the U.S. financial system. The bank and its largest rivals have become so big, their reach so extensive, that the government would almost surely step in to prevent their failure. That implicit guarantee encourages people and businesses to move their money to them in times of stress, creating a feedback loop that makes big banks bigger at the expense of their smaller peers.

Smaller banks support industries and regions that megabanks aren't especially good at serving, said Gene Ludwig, the former head of the Office of the Comptroller of the Currency.

"We have a premier bank that's shown itself to be well run," said Ludwig, who now heads a financial-services advisory firm. "But we need a diverse banking system."

JPMorgan isn't done getting bigger. At its annual investor day Monday, Dimon and his top executives are expected to be quick to play down the bank's dominance, detailing plans to grow in the markets and products where it isn't already No. 1. Chief among them is managing customers' wealth, one of First Republic's premier offerings.

"The message from investor day is: 'We are JPMorgan, hear us roar,' " said Mike Mayo, a bank analyst at Wells Fargo.

In March, the deposit run that claimed Silicon Valley Bank and Signature Bank was spreading throughout the U.S.'s regional banks.

Dimon, at Yellen's prodding, rallied his fellow big-bank CEOs to deposit $30 billion into First Republic to shore up confidence in the lender.

Behind the scenes, JPMorgan executives began studying the possibility of buying First Republic should rescue efforts fail. The San Francisco bank had a slew of rich customers and a ready-made wealth-management business, something JPMorgan was painstakingly building on its own.

First Republic's following among the West Coast elite would give JPMorgan's bankers access to tech entrepreneurs with lots of money to manage and companies to someday take public.

In the years after the financial crisis, JPMorgan focused on its relationship with the nation's wealthy. It built credit-card operations into a giant, launching its Ultimate Rewards and Sapphire brands. The goal was to forge relationships that, with each new credit card, mortgage and brokerage account, become harder to break.

Courting the U.S.'s mass affluent had become something of an obsession at JPMorgan. Their efforts didn't always pan out. In 2021, JPMorgan paid $175 million for Frank, a little-known startup that helped would-be college students apply for financial aid. A year later, it sued the founder, Charlie Javice, who was indicted on fraud charges and has denied wrongdoing.

Dimon was determined to get it right with First Republic. JPMorgan employees studied First Republic's balance sheet. They zoomed in on maps of its branch network and vetted the real-estate value, neighboring shops and foot traffic.

Top executives divided up first-day assignments should a deal come together. Marianne Lake and Jennifer Piepszak, the co-heads of JPMorgan's consumer bank, would make the trip to First Republic's San Francisco headquarters and manage the integration. It was a high-stakes assignment for the two women, who sit atop the list of candidates to eventually succeed Dimon as CEO.

On the last Friday in April, the Federal Deposit Insurance Corp. decided First Republic was out of time. The JPMorgan machine kicked into gear.

A team of nearly 1,000 pored over First Republic's financial information. On Saturday, Dimon and top lieutenant Daniel Pinto chaired a gathering of top executives that included presentations about what First Republic could do for the bank's various businesses.

The deal revived a debate about the growing power of the U.S.'s biggest banks.

"The failure of First Republic Bank shows how deregulation has made the too big to fail problem even worse," Sen. Elizabeth Warren (D., Mass.) tweeted.

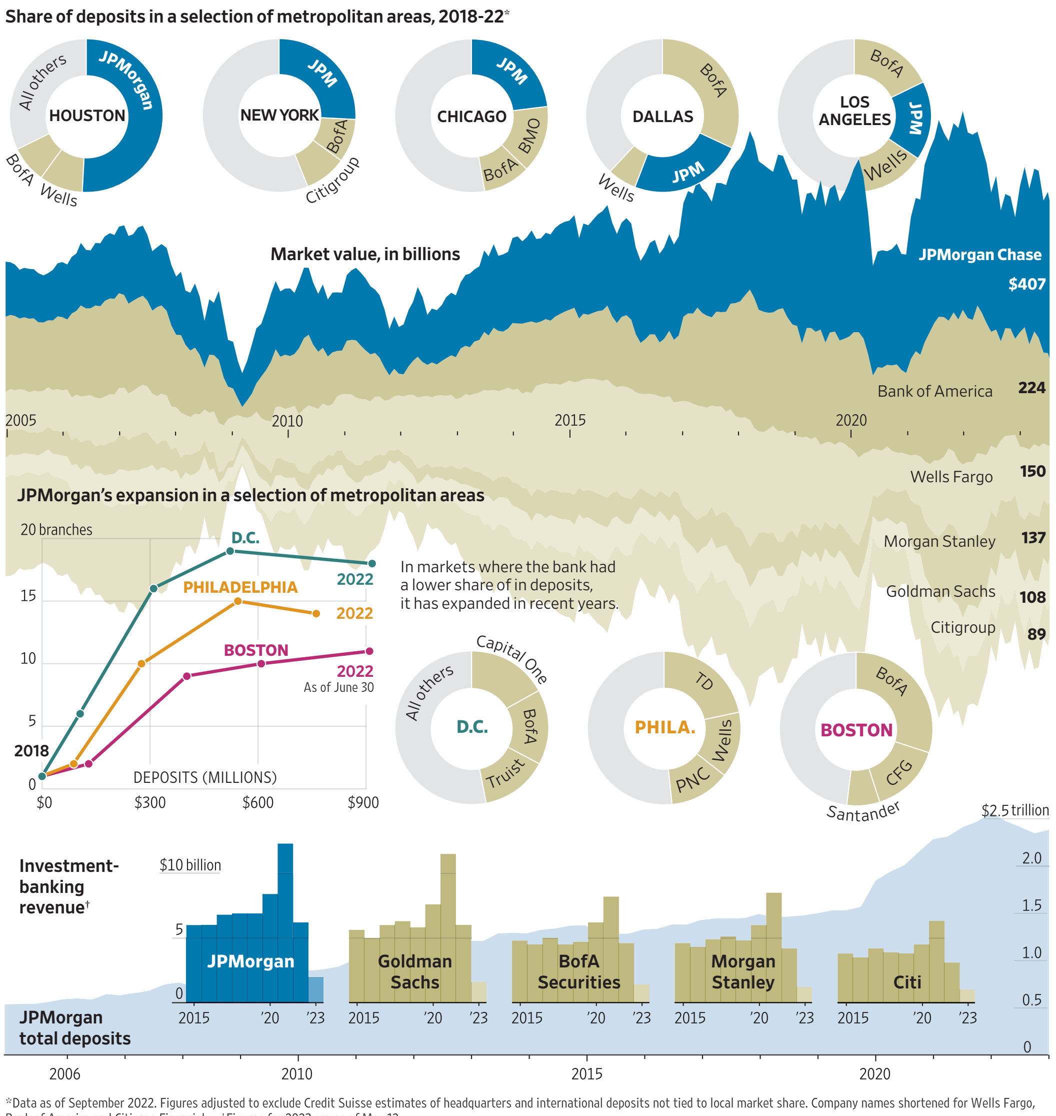
Dimon, for his part, said JPMorgan's ability to swallow up most of First Republic's deposits and loans shows the system is working as it should.

JPMorgan executives have been on the road in the weeks since, visiting First Republic branches and meeting stunned employees, some of whom will lose their jobs.

JPMorgan is considering remaking the First Republic locations into special branches for affluent customers, luxurious spaces where they could seek investing and estate-management advice. Success hinges on the bank's ability to convince First Republic's financial advisers to stay.

Lake and Piepszak are treading lightly, preserving the First Republic high-touch, small-bank model while integrating it into their bank.

"We want to not break it," Lake said. "We have to do it in a way that works for this company."



*Data as of September 2022. Figures adjusted to exclude Credit Suisse estimates of headquarters and international deposits not tied to local market share. Company names shortened for Wells Fargo, Bank of America and Citizens Financial. †Figures for 2023 are as of May 12.
Sources: Credit Suisse analysis of SNL Financial and FDIC data (share of deposits); FDIC (JPMorgan's expansion); FactSet (market value); Dealogic (investment-banking); the company (deposits)

Republican Home-State Hopefuls Trail Trump

By Eliza Collins

MONCKS CORNER, S.C.—No matter how many home-state candidates jump into the 2024 GOP presidential race, South Carolina is probably Donald Trump's state to lose.

The former president is running again for the party nomination, and so is former Gov. Nikki Haley. Sen. Tim Scott, one of the state's two Republican senators, filed his statement of candidacy with the Federal Election Commission on Friday and is expected to formally announce his bid on Monday.

While South Carolina Republicans may have cast ballots for all three candidates at some point, voters and local officials here say that Trump has the clear edge for 2024. Early polls have shown Trump leading all possible competitors by solid margins.

South Carolina is the third state in the GOP nominating process, following Iowa and New Hampshire. That trio of early states will have an outsize role in choosing the Republican nominee for the 2024 election.

Though the state isn't competitive in the general election, South Carolina voters of both parties have had good luck in voting in primaries for the eventual nominee. In 2020, Joe Biden's campaign was struggling before his South Carolina victory consolidated party support and ultimately earned him the nomination and presidency. In 2016, Trump lost Iowa but won New Hampshire and South Carolina. Former Secretary of State Hillary Clinton, who ended up being the 2016 Democratic nominee, won Iowa, Nevada and South Carolina but lost New Hampshire.

Priscilla Schuyler put two large Trump signs outside her front door here ahead of the 2020 presidential election. Trump lost that election—though he beat Biden by a dozen points in the state—but Schuyler refuses to take the signs down until Trump returns to the White House.

Schuyler, 51, an office manager at a local fire department, said no one compares to Trump. "What I love about Trump is that he is outspoken. I feel like even in his tweets that he was the first president that was actually speaking to me directly," she said.

Of the state's top Republicans, Gov. Henry McMaster, Sen. Lindsey Graham and several members of Congress have endorsed Trump. Rep. Ralph Norman is backing Haley.

Florida Gov. Ron DeSantis, who is expected to enter the race soon, is seen as Trump's closest competitor nationally for the nomination. But he sees Iowa and New Hampshire as states where his chances are better than in South Carolina, people familiar with his thinking said, given Trump's strength and the expected efforts of Haley and Scott.

Amy Florez, 46, an interior designer from Charleston, worries that if Trump is nominated again he would be unable to bring in the independent voters who are key to winning battleground states. She is undecided on who she would support in the primary but feels that most of the other Republicans would be stronger candidates. "I don't think Trump can win again," she said about a general election.

Trump spokesman Steven Cheung said the former president "continues to crush the competition, including Joe Biden, in poll after poll, both nationally and statewide."

> South Carolina voters have had good luck in voting in primaries for the eventual nominee.

Haley spokeswoman Nachama Soloveichik said the former governor's strategy is to outwork the other candidates. Haley, who more recently was United Nations ambassador in the Trump administration, has been focused heavily on retail politics in South Carolina and other early states, in contrast with Trump's large rallies.

"She has great trust in South Carolinians' judgment, and we are very confident about how she'll do there," Soloveichik said.

Jennifer DeCasper, who is expected to be Scott's campaign manager, noted that the senator won re-election in 2022 by 26 percentage points. "I have no doubt that Tim Scott is going to earn South Carolina," she said.

Both Haley and Scott are basing their campaigns in South Carolina.

Alex Stroman, former executive director of the South Carolina GOP who also worked for Trump, said it is too early to count anybody out. Stroman said Haley and Scott can win South Carolina, they just have to perform well in Iowa and New Hampshire first. "South Carolinians aren't going to reward Nikki Haley or Tim Scott only for being from South Carolina," he said. "They have to show their viability from other places, so does Trump."

—Alex Leary contributed to this article.

U.S. WATCH

CALIFORNIA

Two People Killed in Small Plane Crash

Two people were killed when a small plane headed for Hawaii crashed in the Pacific Ocean shortly after takeoff from Northern California, federal officials said Sunday.

The Viking Air DHC-6-400 Twin Otter crashed around 2:15 p.m. Saturday in the water about 40 miles off the coast of Half Moon Bay, Calif., the National Transportation Safety Board said in a statement.

The U.S. Coast Guard found the submerged plane "and confirmed the pilot and copilot suffered fatal injuries," the statement said. They were the only people on board, officials said.

—Associated Press

MINNEAPOLIS

City Settles Lawsuit With Detained Family

The city of Minneapolis has agreed to a $700,000 settlement with family members who were locked inside two squad cars when police killed their father after officers refused their offers to try to help calm him down.

A federal judge ruled that officers were justified in shooting 52-year-old Chiasher Vue after he pointed a rifle at them on Dec. 15, 2019. The settlement will resolve a lawsuit his family filed arguing that police had illegally and unconstitutionally detained them that night.

Chamee Vue and her brothers Hailee and Nou Vue tried to intervene but weren't allowed out of the police cars. "I couldn't get out of the car, couldn't give him reassurance that everything would be OK," Chamee Vue said.

A language barrier contributed to the incident because Chiasher Vue spoke little English and few officers there that night spoke Hmong.

Family members say Chiasher Vue was going through a mental health crisis. "Look, my dad is mentally ill...Just let me and my little sister go talk to him. We can talk him out," Nou Vue said to an unidentified officer, according to squad car footage.

"You're not getting out of the squad. Stop asking," replied the officer.

But after Chiasher Vue came out of the house pointing a rifle, he and officers quickly exchanged gunfire. He was struck by 13 bullets.

—Associated Press

GREEN COLLAR AMERICAN MANUFACTURING JOBS

In Kentucky - In Construction Now

PRATT 100% RECYCLED

Pratt Industries is one of the largest corrugated box manufacturers in the United States.
Our boxes save money and save the environment.

www.prattindustries.com

Zelensky Decries Putin's Nuclear Threat

At Hiroshima, he says images of atomic bomb aftermath evoke devastation in Ukraine

By Alastair Gale

MINISTRY OF FOREIGN AFFAIRS OF JAPAN/AGENCE FRANCE-PRESSE/GETTY IMAGES

Japan's Prime Minister Fumio Kishida and Ukraine's President Volodymyr Zelensky laid flowers Sunday at the Cenotaph for the Victims of the Atomic Bomb at the Hiroshima Peace Memorial Park.

HIROSHIMA, Japan—Standing near the spot where the first atomic bomb was detonated in war, Ukrainian President Volodymyr Zelensky said Russia must abandon "nuclear blackmail of the world."

Zelensky's two-day trip to Hiroshima for the annual Group of Seven summit of leading democracies was both a working visit to seek further Western military aid and a symbolic plea about the threats Ukraine faces from Vladimir Putin.

The Ukrainian president, attending a gathering from which Putin was expelled in 2014, toured the museum dedicated to the 1945 atomic bombing of Hiroshima and said photos of the aftermath struck home.

"It wouldn't be fair to compare, but I would tell you sincerely that the pictures of Hiroshima in ruins reminded me of Bakhmut and other similar towns and settlements in Ukraine. They are also totally destroyed," he said at a news conference after the close of the G-7 meeting.

Zelensky said exhibits showing photos of children with fatal burns after the Hiroshima bombing and the shadows left behind on the ground of people who were completely incinerated mirrored the horrors of war in Ukraine.

Putin has made thinly veiled threats to use nuclear weapons during the conflict, and Russian forces have attacked a Ukrainian nuclear power plant. Zelensky said Ukraine already knew the horrors of nuclear disaster from the 1986 meltdown of the Chernobyl power plant.

"It was through this zone that Russian troops conducted their offensive. They were digging trenches right in the forests where the radiation-contaminated materials were buried back in Soviet times," Zelensky said to an audience that included local leaders from Hiroshima.

"If the level of evil and stupidity in Russia's actions is left without consequences, the world will inevitably become a wreck," he said.

At the G-7 meeting, Zelensky thanked President Biden and other leaders for their military support, including plans for F-16 jets. Biden has pledged to help train Ukrainian pilots to fly the fighters.

Details such as how many F-16s Ukraine would receive and when they would be delivered have yet to be worked out, Zelensky said.

The Netherlands is among the countries that are considering supplying the fighters, and on Sunday, British Prime Minister Rishi Sunak said that training of Ukrainian pilots would begin this summer.

Ukraine has argued that it needs F-16s to deter Russian aircraft from operating in Ukrainian skies. Ukraine's air defenses, which rely mostly on Soviet-era S-300 batteries, are running out of missiles, a gap that could soon allow Russia's air force to achieve air superiority in much of Ukraine, according to leaked classified U.S. military assessments.

"When our pilots know the F-16 and when these aircraft appear in our skies, it will matter not only for Ukraine. This will be a historic moment for the entire security architecture in Europe and the world," Zelensky told the G-7 leaders at a gathering on Sunday morning, according to the official Ukrainian presidential website.

While thanking the leaders for their support, Zelensky made clear he wanted more, particularly to protect Ukraine from missile attacks.

"When Ukraine has enough air defense systems to protect all our cities, the world will see what kind of air shield democracy can create," he said to the G-7 leaders.

Zelensky singled out the U.S. for praise at the news conference as Ukraine's largest military supporter during the current conflict.

At a one-on-one meeting with Zelensky earlier in the day, Biden pledged up to $375 million in additional U.S. military aid. A U.S. official said the aid included more ammunition for U.S.-provided Himars rocket launchers, artillery rounds and anti-armor capabilities.

Zelensky came to Hiroshima to meet the Group of Seven leaders in person, a surprise last-minute addition to the annual G-7 summit.

The Ukrainian leader also joined a separate session that included leaders of other nations that aren't in the G-7. At that meeting Zelensky sat next to Indian Prime Minister Narendra Modi, who has refused to back sanctions against Moscow.

The visit of Zelensky to Japan, his longest journey outside Ukraine since the start of Russia's assault in February 2022, overshadowed much of the other business at the G-7 meeting, and his star power rivaled that of the U.S. president.

People lined the streets around central Hiroshima hoping to get glimpses. "I came to show my support for him because Ukraine is experiencing such a terrible time," local resident Masako Kondo said of Zelensky.

Cardinal Is Named As Peace Envoy

ROME—Pope Francis has assigned Italian Cardinal Matteo Zuppi to carry out a mission for peace in Ukraine.

The Vatican said that the pope had entrusted the cardinal, who serves as the archbishop of Bologna, to carry out a mission "that may contribute to reduce tensions in the conflict in Ukraine, in the hope, never abandoned by the Holy Father, that this may open paths towards peace."

The timing and other details of the mission were still being studied, the Vatican said.

Late last month, Francis told reporters that the Vatican was involved in a secret mission to bring peace to Ukraine, but Ukraine and Russia have both denied knowledge of it. The pope has often offered to serve as a mediator in peace negotiations between the countries.

Saturday's announcement comes a week after Ukrainian President Volodymyr Zelensky met with the pope at the Vatican and asked him to support Ukraine's peace proposal—based on returning Ukraine's territory—and to condemn Russian war crimes. The pope has often deplored the suffering of Ukraine since Russia's full-scale invasion but has avoided directly blaming Moscow for the war.

—Francis X. Rocca

Long Fight Yields Uncertain Victory

By Yaroslav Trofimov And Matthew Luxmoore

ANALYSIS

MANU BRABO FOR THE WALL STREET JOURNAL

Ukrainian soldiers in early March headed to positions on the front line near Bakhmut, which has been left largely uninhabitable.

The nine-month battle for the small Ukrainian city of Bakhmut effectively came to an end on Sunday, as Russian forces finally captured the last significant Ukrainian strongholds on its western edge.

While Kyiv disputes Russia's claim of controlling all of Bakhmut, Ukraine's top commander in the region, Col. Gen. Oleksandr Syrskiy, has acknowledged that his forces retain a presence only in an "insignificant" part of the city, even as they push ahead on its flanks.

Who has won and who has lost isn't measured, however, in current control over the uninhabitable ruins that are left from Bakhmut, a once prosperous city of 70,000 people.

The answer will depend on the outcome of Ukraine's planned offensive—which hinges, in part, on whether Ukrainian or Russian military capacity has been degraded more severely by the war's bloodiest, and longest, battle.

A Ukrainian success would help justify Kyiv's controversial determination to cling on to Bakhmut, despite horrendous losses and, at one point in late February and early March, almost having thousands of troops in the city encircled. Inversely, a failed offensive would validate Russia's strategy of using the city to maul Ukraine's best fighting units.

"It's too early to judge the impact of the battle of Bakhmut on the war." said Michael Kofman, director of Russia studies at the Center for Naval Analyses who visited Ukrainian troops in Bakhmut in February. "This will be clearer in hindsight."

While neither side has disclosed its casualties, many thousands of soldiers on both sides have died on the Bakhmut front, according to Western estimates.

"It's really hell. I have never seen anything like it before in this war," one Ukrainian lieutenant-colonel in Bakhmut said. The decision to cling to Bakhmut, fighting street to street and house to house, had tied up Russian forces and prevented a Russian offensive in another direction, he added.

Even as Ukraine lost its last foothold of destroyed highrises on Bakhmut's westernmost edge this weekend, it pulled off several successful counteroffensives northwest and southwest of the city in previous weeks. By gaining valuable high ground, Ukraine has made it much more difficult for Russia to use its new control of Bakhmut as a springboard for further advances.

On the Russian side, most of the fighting in the Bakhmut area was conducted by the Wagner paramilitary group owned by President Vladimir Putin's former chef Yevgeny Prigozhin, who sent tens of thousands of inmates recruited in Russian prisons to storm Ukrainian positions in near-suicidal missions.

Fierce fighting, he acknowledged, has battered Wagner's combat potential to such a point that it had to transfer positions on its flanks to regular Russian troops. These positions have since been retaken by Ukrainian forces.

Wagner plans to withdraw its forces from Bakhmut on Thursday, as regular Russian troops take over, Prigozhin said.

Moscow currently controls some 18% of Ukraine, including the Crimean Peninsula and parts of the Donetsk and Luhansk region it seized in 2014.

This year, Ukrainian President Volodymyr Zelensky and his top generals came under criticism from some Ukrainian and Western commanders for throwing resources, including little-trained Territorial Defense troops, into Bakhmut, as they elevated the city to the symbol of Ukrainian resistance.

Zelensky was attending the Group of Seven summit in Hiroshima, Japan, to lobby for more military assistance, including F-16 jet fighters, when Ukraine's last defenses in Bakhmut collapsed. "They destroyed everything; there are no buildings," Zelensky said at his meeting with President Biden. "It's a tragedy. For today Bakhmut is only in our hearts. There is nothing in this place, just the ground and a lot of dead Russians."

While Ukraine did incur high losses in Bakhmut, it didn't tap in to the new brigades trained and equipped for the planned offensive.

Meanwhile, Wagner has been mauled by the fighting in Bakhmut.

"The most important thing accomplished by Ukraine [in Bakhmut] is that we managed to exhaust the Russians," said Mykola Bielieskov, a research fellow at the Kyiv-based National Institute for Strategic Studies, a government-backed think tank. "We have managed to inflict as much damage as possible, created this window of opportunity we're going to exploit, and managed to get weapons and training."

Russia Controls Bakhmut

Continued from Page One

The city's capture would mark the only significant success of a monthslong Russian offensive that has severely depleted its military.

The question of who really won the battle of Bakhmut, military strategists said, will be decided by the next phase of the war. Kyiv fought street by street and at great cost to grind down Russian forces and prepare its forces for its own offensive aimed at seizing back territory occupied by Russia. Fighting has also cut into Ukrainian forces after Kyiv committed additional units to its defense.

The fight for Bakhmut has highlighted how limited Moscow's war aims have become. Russian media, which at the start of the war reported on its army's lightning thrust toward Kyiv, has in recent days instead given daily updates on the fights for streets and even single buildings in a city once home to around 70,000 people.

That Ukraine was able to inflict heavy losses on Russian forces in Bakhmut remains a success for the defenders, said Nico Lange, former chief of staff to the German defense ministry and a fellow of the Munich Security Conference, a think tank.

"The complete takeover of Bakhmut does not make any strategic difference," said Lange, who visited the front lines as part of a study trip.

"Ukraine will continue the defense in well-developed positions a little further west and at the same time may even get the Russians into trouble on the flanks," he said.

U.S. President Joe Biden, on his trip to Japan for the Group of Seven summit, cited huge casualties sustained by Russia in its assault on the city. "It's hard to make up," he said.

Ukrainian forces have been clinging to a shrinking patch on the western edge of Bakhmut for several weeks while launching counterattacks against Russian forces.

On Saturday, Yevgeny Prigozhin, the founder of the Wagner paramilitary group that has been leading the offensive to take the city, said his forces had taken control of Bakhmut.

The fight for the city has highlighted how limited Moscow's war aims have become.

Prigozhin could claim a victory in taking Bakhmut after staking his reputation on the battle. He recruited 50,000 soldiers—mostly convicts—for the fight and clashed with Russia's top military commanders over Wagner's role in the conflict. He threatened on several occasions to leave Bakhmut only to change his mind after saying he had secured promises of extra arms and ammunition from Russia's defense ministry.

The population of Bakhmut, a city that had been known for its sparkling wines and lively cultural scene, dwindled in recent months to several thousand.

Bakhmut became a symbol of Ukraine's dogged resistance against a Russian military with superior equipment and greater reserves of manpower. The defense of the city helped inspire Western allies to send further military aid that Kyiv now hopes will fuel its much-anticipated counteroffensive against Russia.

Both Russia and Ukraine suffered heavy losses in Bakhmut. Some Western analysts and officials questioned whether holding a city they say has little strategic significance was worth the enormous expenditure of munitions and manpower.

President Volodymyr Zelensky of Ukraine and military commanders viewed the fight as a way to exhaust and deplete Russian forces who could otherwise be deployed to other battlegrounds. By pinning so many Russian troops down in Bakhmut, they argued, Ukraine could prepare for an offensive aimed at reclaiming other territory in the country.

In recent days, fighting has been limited to an area of highrises on the westernmost edge of the city and a neighborhood known as "Plane" because a Soviet jet fighter used to stand on an intersection marking an entrance to the city.

A video released by Wagner on Sunday showed its fighters planting Russia's tricolor and black Wagner flags on the roofs of destroyed apartment blocks on the westernmost limit of Bakhmut, with a landscape of green fields and plumes of artillery impact beyond. "Victory!" a Wagner soldier is seen screaming as he waves the two flags.

A Ukrainian tank operator said he had just returned from a mission inside the city during which he fired at a highrise building recently occupied by Russian forces.

"If that's what they call a victory, I pity them," said another soldier from the 67th Motorized Battalion.

President Vladimir Putin of Russia congratulated the Wagner group and the Russian Armed Forces for what he said was the "liberation" of the city, which the Russian government and media call by its Soviet name Artemovsk.

Russia has justified its invasion of Ukraine with the false claim that it is seeking to liberate oppressed Russian speakers in eastern Ukraine.

Zelensky during a news conference in Japan, where he is attending the G-7 meeting, said "it's a pity, a tragedy, but for today Bakhmut is only in our hearts," adding that the city had been razed after months of fighting. "You have to understand that there is nothing. They destroyed everything."

WSJ

Global Food
FORUM

The Biggest Names in Food, All on One Stage

JUNE 20–21 | CHICAGO | ONLINE

The WSJ Global Food Forum brings together the leaders and innovative companies redefining the food industry and global agricultural economy. Together, we'll dig into the trends, technologies, ideas and opportunities shaping the future of this vital sector.

REQUEST AN INVITATION
WSJ.com/globalfood

Complimentary Online Access for WSJ Subscribers
Use code: WSJ

FOUNDING SPONSOR

PRATT 100% RECYCLED

PRESENTING SPONSOR

DP WORLD

Speakers Include:

Jennifer Garner
Actress
Co-Founder and Chief Brand Officer, Once Upon a Farm

Jeffrey L. Harmening
Chairman and CEO
General Mills

Steven Cahillane
Chairman and CEO
Kellogg

Gail K. Boudreaux
President and CEO
Elevance Health

Shane Smith
President and CEO
Smithfield Foods

Peter McGuinness
CEO
Impossible Foods

Austan D. Goolsbee
President and CEO
Federal Reserve Bank of Chicago

Rick Bayless
Chef and Owner
Frontera Grill

Chip Wade
CEO
Union Square Hospitality Group

Rick Gomez
EVP and Chief Food and Beverage Officer
Target

Cristina Rohr
Managing Director, Food and Agriculture
S2G Ventures

Walter Robb
Principal, Stonewall Robb Advisors
Senior Executive Partner, S2G Ventures

James "Cricket" Jacquier
Chairman, Cabot Creamery Cooperative
Owner, Laurelbrook Farm

Andrea Hernández
Founder and Cult Leader
Snaxshot

THE WALL STREET JOURNAL.
TRUST YOUR DECISIONS

©2023 Dow Jones & Co. Inc. All rights reserved. 6DJ9407

WORLD NEWS

Greek Conservatives Trounce Opponents

By Yannis Palaiologos And Marcus Walker

Pictures of ancient Greek mythological figures hang above a voting booth in Athens.

PETROS GIANNAKOURIS/ASSOCIATED PRESS

ATHENS—Greece's governing center-right resoundingly beat its left-leaning opponents in national elections Sunday, as voters rewarded Prime Minister Kyriakos Mitsotakis for a robust recent economic performance.

But with Mitsotakis falling just short of a majority in Parliament, Greece is expected to hold another national vote in late June or early July, under a different electoral system that is likely to help his New Democracy party win an outright victory.

New Democracy, which has governed Greece since 2019, won around 41% of the vote, with the main left-wing opposition party Syriza garnering around 20%, based on results from over 85% of precincts.

Mitsotakis's advantage on Sunday was far larger than opinion polls had predicted, showing that Greek voters want him to continue to steer the country's economy toward recovery and that opposition parties failed to offer a convincing alternative vision. An official projection put New Democracy only six seats short of a majority.

Addressing New Democracy supporters in Athens, Mitsotakis described Sunday's results a "political earthquake" and called for a quick second election. "A government is needed which believes in reforms, and is able to implement them. And this cannot come from fragile numbers or uncertain parliamentary relationships," he said.

Sunday's result represents a crushing defeat for Syriza, whose support fell far below expectations, and is likely to put pressure on its leader, former Greek Prime Minister Alexis Tsipras, to resign.

The center-left Pasok party, which once dominated Greek politics, won just under 12% of the vote based on the partial results.

Sunday's vote was held under a proportional system, whereas a repeat election will use a different system that gives up to 50 bonus seats to the biggest party. New Democracy would likely need around 37% to 38% of the vote to reach a majority in the 300-seat Parliament in July.

Greece is finally beginning to emerge from its deep economic depression of the 2010s when its debt crisis shook the eurozone. The Greek economy remains nearly a quarter smaller than before the financial crisis began in 2008.

But economic growth has resumed, from a low level, with exports and investment improving, helped by an inflow of European Union funds and a pro-business government that has improved the country's image among investors.

In his re-election campaign, Mitsotakis touted the recent economic growth rate, his government's record of tax cuts, and its extensive aid to families and businesses during the Covid-19 pandemic and last year's energy-price spike triggered by the war in Ukraine.

New Democracy also has campaigned on its tough immigration policies, which have sharply cut the inflow of asylum seekers. The government continues to dismiss copious evidence of extrajudicial deportations of migrants.

Greek voters didn't punish Mitsotakis for a festering scandal involving the wiretapping of politicians, journalists, businesspeople and military figures. Nor did New Democracy pay an electoral price for a train crash in February that killed 57, including many students, which exposed problems of mismanagement and patronage in Greece's public sector and led to an outpouring of anger in the country.

Gerassimos Moschonas, a political scientist at Athens's Panteion University, said the Mitsotakis government has won widespread approval for its handling of foreign policy, defense, the digitization of public services and the economy, notwithstanding discontent over inflation.

Mitsotakis's ability to appeal to educated centrist voters has "broadened the appeal of New Democracy beyond its conservative base," Moschonas added. New Democracy's electoral strength "is indissolubly linked with the significant weaknesses of the opposition," he said.

WORLD WATCH

BEBETO MATTHEWS/ASSOCIATED PRESS

British author Martin Amis, shown in 2012, published over 25 fiction and nonfiction works. He died of esophageal cancer at age 73.

OBITUARY

Martin Amis, Prolific British Author, 73

Acclaimed British author Martin Amis, who published over 25 fiction and nonfiction works in a career that spanned half a century, has died. He was 73.

Amis died Friday at his home in Lake Worth, Fla., according to his longtime agent Andrew Wylie. The cause was esophageal cancer.

A writer who burst onto London's literary scene while still a young man, Amis is best known for a trio of novels he wrote in the 1980s and 1990s: "Money: A Suicide Note," "London Fields" and "The Information."

— Ginger Adams Otis

NORTHERN IRELAND

Sinn Féin Makes Big Gains in Election

Irish nationalist party Sinn Féin made sweeping gains in Northern Ireland's local elections, repeating its success from last year's assembly elections, when it became the largest party for the first time.

With counting completed late Saturday, Sinn Féin, which seeks unification of Northern Ireland with the Republic of Ireland, took 144 of 462 local government seats—an increase of 39 from the last local government elections in 2019. Its main rival, the Democratic Unionist Party, captured 122 seats, while the centrist Alliance Party had 67.

—Associated Press

MEXICO

Woman Who Killed Rapist Is Cleared

Mexican prosecutors say they are dropping a case against a woman who was sentenced to six years in prison for killing a man as he raped and attacked her.

In a ruling last week that touched off a public outcry, a court in Mexico State said that while it agreed Roxana Ruiz was raped in 2021, it found her guilty of homicide with "excessive use of legitimate defense." It also ordered her to pay more than $16,000 in reparations to the attacker's family. On Saturday, the state Prosecutor's Office said it determined that Ruiz was "exempt from guilt."

—Associated Press

ITALY

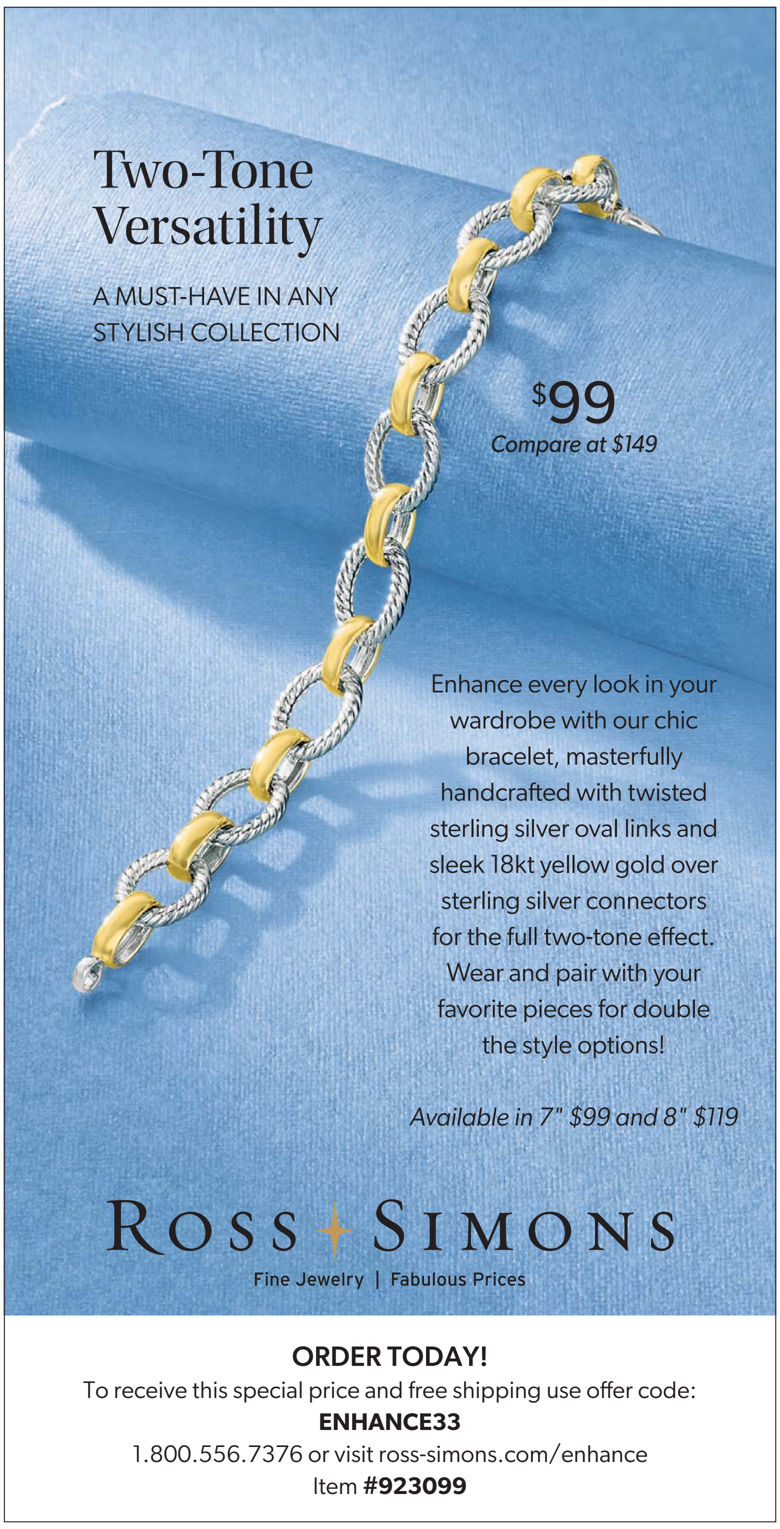
Mount Etna Erupts, Airport Halts Flights

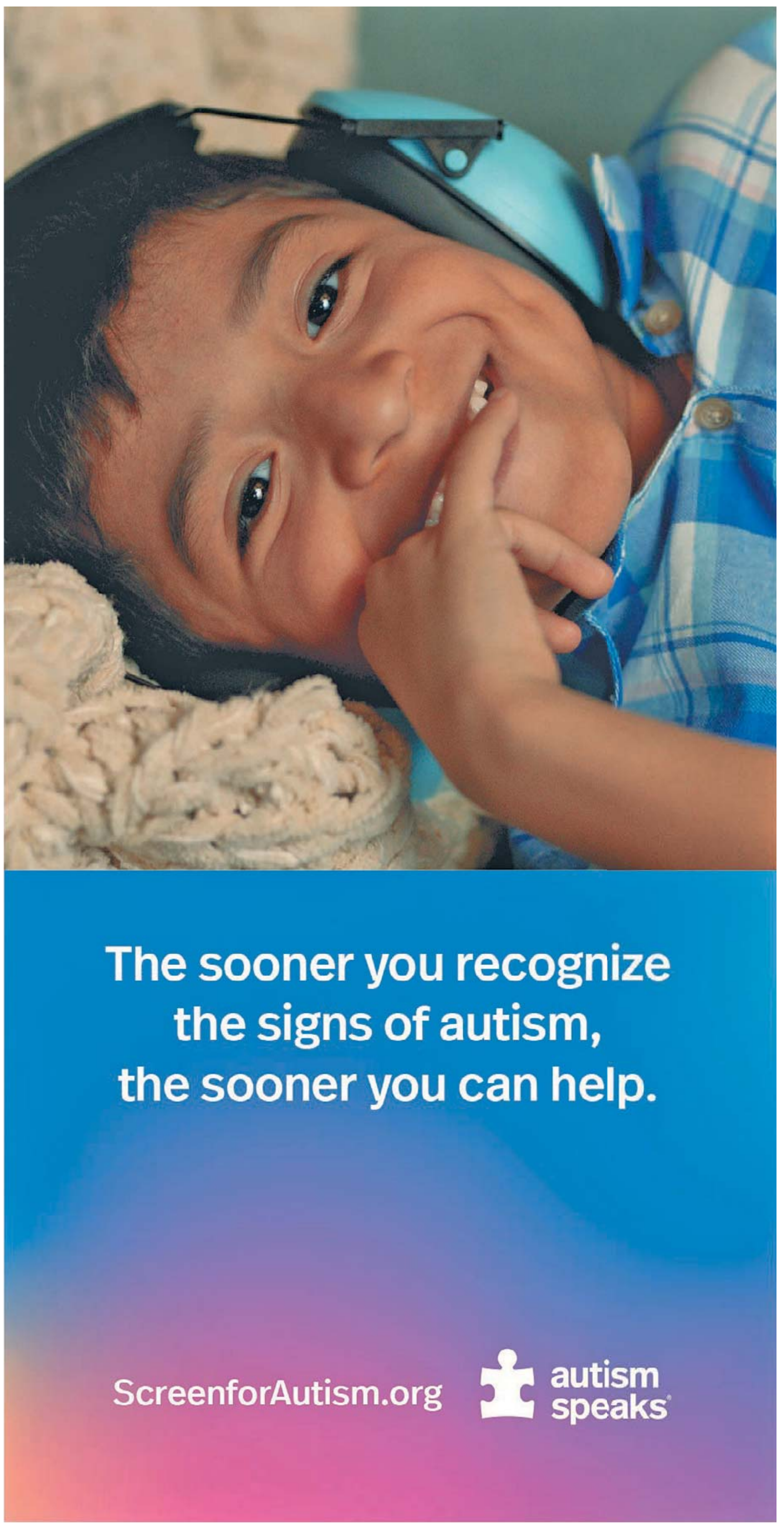
Mount Etna, Europe's most active volcano, was erupting on Sunday, spewing ash on Catania, eastern Sicily's largest city, and forcing a suspension of flights at that city's airport.

Italy's National Institute of Geophysics and Volcanology said that ash had fallen on Catania and at least one town on Mount Etna's inhabited slopes. No injures were reported.

People in the towns of Adrano and Biancavilla reported hearing loud booms emanating from the volcano on Sunday, Italian news agency ANSA said.

—Associated Press





Biden Sees Potential Thaw With Beijing

By Ken Thomas And Annie Linskey

HIROSHIMA, Japan—President Biden said he expected a thaw in relations with China, a day after he and other Group of Seven leaders took steps to tackle what they see as Beijing's economic intimidation.

Biden said at a news conference on Sunday wrapping up the G-7 meeting in Japan that the U.S. wants to open more lines of communication.

"Then this silly balloon that was carrying two freight cars worth of spy equipment was flying over the United States and it got shot down and everything changed in terms of talking to one another," Biden said, referring to an incident this year involving a suspected Chinese surveillance balloon.

"I think you're going to see that begin to thaw very shortly," he said.

Biden's upbeat assessment followed a challenging few months that also included a U.S. warning to China not to arm Russia in the Ukraine war and conflict over a stop-off in the U.S. by Taiwan's president.

White House national-security adviser Jake Sullivan held recent talks in Vienna with China's top foreign-affairs official, Wang Yi, and China's commerce minister is scheduled to visit the U.S. in coming days.

Biden said easing U.S. sanctions on China's defense minister, Gen. Li Shangfu, was under discussion. Li remains under sanctions levied in 2018 when he ran the People's Liberation Army's armaments departments and purchased combat aircraft and missile equipment from Russia.

The Biden administration has expressed hope it could reschedule a visit to China by Secretary of State Antony Blinken, who canceled a planned trip in February over the balloon incident.

Significant irritants remain across the U.S.-China relationship. On Sunday, the Cyberspace Administration of China said its review of products from Micron Technology found "significant security risks" that would affect national security and warned operators of key Chinese information infrastructure against purchasing the company's goods.

"We are evaluating the conclusion and assessing our next steps," Micron said.

China was a focal point for the G-7 leaders during the summit. A G-7 communiqué said the nations would "counter malign practices" by China and "foster resilience to economic coercion."

They said they would create a platform to confront "attempts to weaponize economic dependencies," a reference to what the countries see as China's history of using its economic might to mete out political retribution.

As the leaders met, Chinese President Xi Jinping hosted his China-Central Asia Summit, which some U.S. leaders saw as an attempt to counterbalance the G-7 meetings.

Beijing officials said the U.S. was itself guilty of economic coercion. They said Washington was trying to weaponize trade and choke off business companies in allied nations hoped to do in China. A representative of China's embassy in the U.K. on Sunday described the G-7 summit in Hiroshima as a failure.

—Lingling Wei contributed to this article.

◆ Beijing limits Micron Technology's sales.................. B6

Xi Echoes Mao Indoctrination Push

By Chun Han Wong

Xi Jinping at the 10th Conference for Friendship of Overseas Chinese Associations in Beijing this month

LI XUEREN/XINHUA VIA ZUMA PRESS

SINGAPORE—Chinese leader Xi Jinping is taking a page out of Mao Zedong's crisis playbook to contain the damage caused by the tumultuous final months of his zero-tolerance Covid controls.

In recent months, Xi has launched indoctrination drives, including a mass-study campaign to propagate his political doctrine. The campaign has swept through schools, hospitals, banks, courts, police stations, military bases and places of worship in what he describes as a "spiritual baptism" for all members of the Communist Party.

To deliver on its mission of rejuvenating the Chinese nation, "the entire party must unify its thinking, unify its will and unify its actions," Xi told officials at an April meeting.

In parallel, Xi has commanded officials to conduct on-the-ground "investigation and research," echoing a program that Mao directed in the early 1960s in what historians say was an attempt to shift blame for the disastrous consequences of the Great Leap Forward.

The fervor of Xi's campaigns reflects the extent to which recent events have battered the Chinese leader's image, said Wu Qiang, an independent political analyst in Beijing. Xi's aim, he said, is "reassert control over public narratives and mask his failings."

Outwardly, Xi projects strength. Last fall, he took a norm-breaking third term as party leader and maneuvered close allies into virtually every significant position of power. Since ordering an end to Covid controls late last year, he has met face-to-face with a parade of world leaders, including Russia's Vladimir Putin and France's Emmanuel Macron, while brokering a surprise detente between Saudi Arabia and Iran.

But Xi also faces significant challenges. Nationwide protests against his Covid policies in November pointed to a fraying of public trust, while an abrupt pivot away from "zero Covid" measures led to untold deaths. China's economy, meanwhile, has labored to shake its pandemic hangover, a task made harder by intensifying tensions with the U.S.

Unease over China's shifting political and business climate under Xi, including state-led efforts to fan a personality cult, has pushed more Chinese—particularly well-heeled ones—into moving abroad.

The latest campaigns kicked off in noteworthy fashion in late March, when the party leadership issued a directive encouraging "investigation and research," or *diaocha yanjiu*, whereby officials personally go out into the field on fact-finding missions to improve policy. The directive urged officials to "seek truth from facts" across broad areas that Xi has demanded action on—including economic security, environmental protection and efforts to shape a more egalitarian China through "common prosperity."

Xi's directive directly echoed Mao's 1961 campaign calling on cadres to investigate and research problems, which he launched during the Great Famine that resulted from his radical plans to rapidly industrialize China.

Historians say Mao used "investigation and research" as a vehicle for rectifying policy errors and shielding himself from criticism, as the campaign implied that lower-level officials were poorly informed about realities on the ground and therefore at fault for misgovernance.

"Without investigation, one has no right to speak; without investigation, one has no authority to make decisions," the March directive said quoting Xi, who was invoking a Mao slogan.

The second phase of the campaign came in April, when the Chinese leader ordered senior officials to prepare a new "themed education" program to infuse "Xi Jinping Thought" into the minds of cadres from Beijing all the way down to the country's more than 2,800 county-level areas.

The party leadership has left little to chance, dispatching 58 "guidance" teams across China to steer the study campaign. By mid-April, all regional governments on the Chinese mainland, roughly 120 central party and state agencies, as well as more than 70 major state companies and financial institutions had launched programs for propagating Xi Jinping Thought, the official Xinhua news agency reported.

Party publishers released new anthologies of Xi's remarks for use as political textbooks. State companies and universities staged cultural performances and poetry contests to promote Xi's ideas with a dash of artistic flair. Authorities in the northeastern city of Harbin promised to keep marriage registries open on an auspicious Saturday in May, a gesture local state media described as a way to honor Xi's political philosophy.

"It is, of course, uncertain to what extent these efforts are effective in boosting confidence in the regime," said Maria Repnikova, an expert on Chinese media and propaganda at Georgia State University. "But the very participation in this campaign symbolically legitimizes Xi Jinping and his mode of governance."

FROM PAGE ONE

Concerns on Fraud Stall Tax Break

Continued from Page One

2021 as the pandemic began receding, but the cost of the break to the government exploded in 2022 and 2023 as businesses applied for retroactive refunds. Small businesses said they have been bombarded by radio ads, faxes, emails and other direct solicitations. Advisory firms urge employers to file amended tax returns while often charging hefty fees to assess eligibility and calculate refunds.

O'Donnell said most employee-retention credit claims are legitimate. The government's challenge is determining which ones the agency should pay and which ones it should block, audit or refer to criminal investigators. The legal answer depends on each employer's particular location and circumstances, and tax lawyers said they expect years of litigation over definitions as the IRS challenges taxpayers' claims.

During recent congressional hearings, lawmakers asked the IRS to accelerate payouts to help struggling employers. The IRS committed to boosting its weekly processing volume to 50,000 refund requests from 20,000. The agency, which gives priority to older claims, redeployed workers it used to bolster telephone service during tax-filing season.

At that faster speed, the IRS potentially could finish the current queue by late August instead of having work drag into 2024. O'Donnell didn't have an estimate for clearing the backlog, and refund requests are still coming in. The IRS is aiming to process new claims within 90 days.

Holly Thalman, the owner of K. Charles & Co. Salons in San Antonio, said she received her first tax credit payment, $329,000, a month after filing a request in early 2021. But it took the IRS nearly 10 months to process one subsequent request and more than 18 months to process two others. The IRS still hasn't acted on the final request, for an additional $297,000, filed last July.

RYN PITTS/SERENDIPITY SOCIAL

Salon owner Holly Thalman

Thalman said she ended up selling her vacation home and taking out a high-interest loan to pay for equipment and renovations at a salon she had decided to expand because she expected the IRS to process later requests as quickly as it did the first one. "It was very tight, very scary," said Thalman, whose three salons have a total of 70 employees.

IRS officials worry about moving too fast. The government prefers to stop ineligible claims before they are paid, O'Donnell said, rather than audit them later.

Refund requests have increased while their quality is seen as worse.

Employers who receive payouts that are later found to be overstated can face taxes, interest and penalties, and in the most egregious cases prosecution, the IRS said. They might also have trouble recouping fees paid to advisers, which can total as much as 25% of the refund.

Congress created the employee-retention tax credit in 2020 as a companion to the Paycheck Protection Program. The idea: Reward employers for keeping workers attached to jobs. To qualify, businesses and nonprofits generally must have suffered a minimum specified decline in revenue or been subject to government orders that suspended their business.

Congress extended and expanded the tax credit several times before cutting it off after the third quarter of 2021. But taxpayers have three years to file amended tax returns, creating a long opening for businesses to go back and determine eligibility for up to $26,000 per employee. Some advisers said the law—written quickly during the pandemic—leaves eligibility open for many businesses that might not realize they can qualify.

Claims have soared. As of March 31, 2022, the IRS had processed requests from more than 457,000 employers and paid out a total of $58.2 billion. By March 3, 2023, those figures had jumped to more than 866,000 and $152.6 billion.

Refund requests have climbed while their quality has fallen, advisers said. "Three years ago, we saw more of these that have merit," said Jenn McCabe, a partner with the accounting firm Armanino. "Now, we are seeing, daily, a lot of them that are ugly."

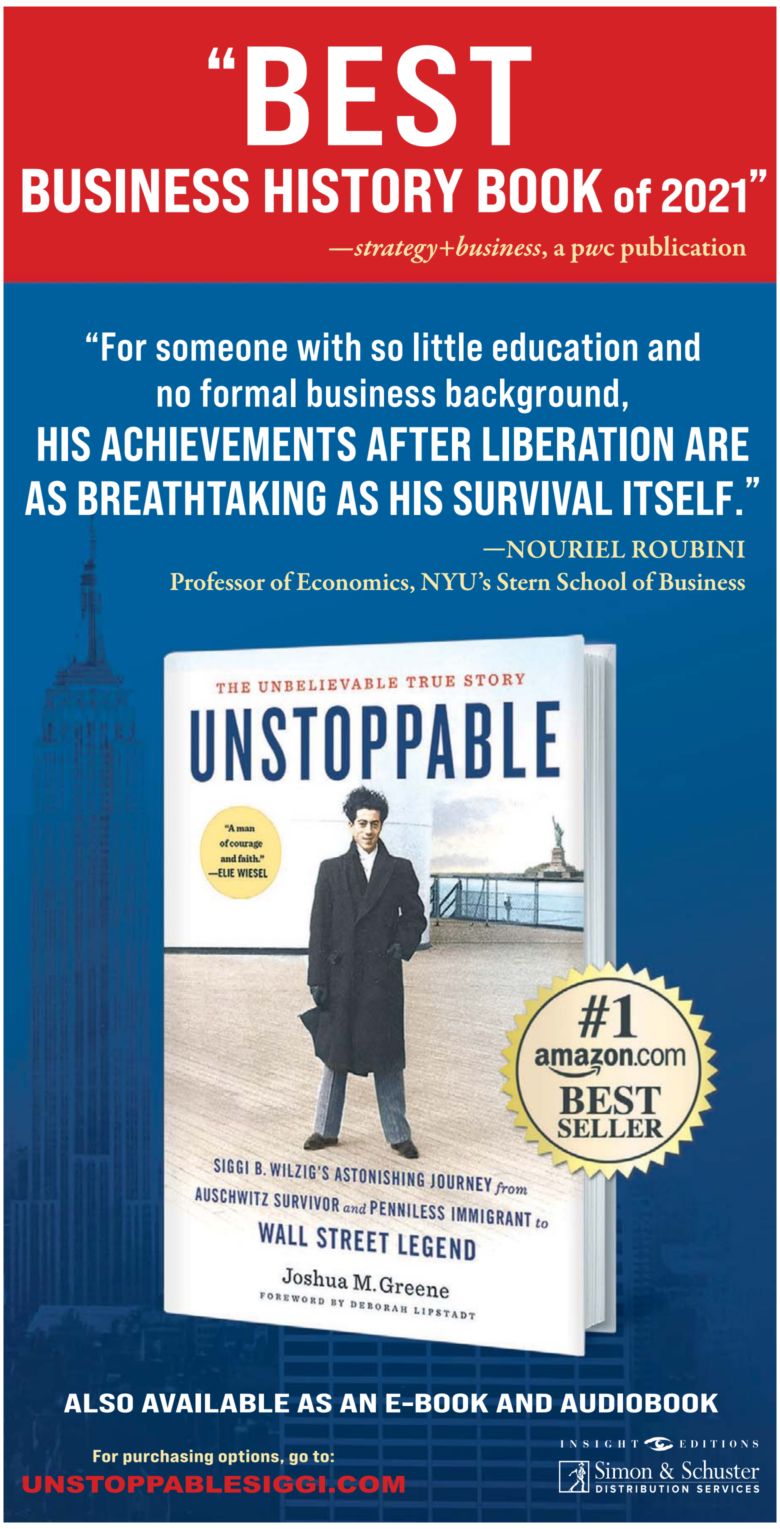
"These advertising campaigns demonstrate a level of possibility that is really outside the realm of reality," O'Donnell said.

The IRS said it is conducting audits and other enforcement to address situations where third parties are misleading employers into improper claims.

Dennis Anderson, owner of Pizza World, a restaurant with 15 employees in Reading, Mass., said he receives at least a dozen emails daily from companies offering to help him secure the tax credit. One promised a refund of nearly $200,000, or almost three times what he ultimately filed for. He is still waiting for the IRS response.

"I got a little nervous," Anderson said. "It just seemed too quick when they spit back a number at you and want to lock you in right away." The whole process of determining how much he qualified for, he said, took just five minutes.

O'Donnell, of the IRS, said employers should be wary of advisers seeking upfront fees or a percentage of refunds. They should also be skeptical of promises that advisers can calculate an expected refund quickly.



Behind Bud Light's Blunders

Continued from Page One
fivefold after sharply cutting it during the pandemic.

Then, a promotion with transgender influencer Dylan Mulvaney prompted a boycott.

This wasn't the first time an Anheuser-Busch brand had supported transgender rights in a marketing effort: In 2021, Michelob Ultra featured transgender track star Cecé Telfer in an ad campaign supporting gender equality in sports. Last year, Bud Light Canada released a limited-edition can for pride month displaying pronouns such as she, he and they. "Celebrate everyone's identity," the can said.

LAURIE DIEFFEMBACQ/BELGA/ZUMA PRESS

DIA DIPASUPIL/GETTY IMAGES

BENOIT DOPPAGNE/BELGA/REUTERS

LARS NIKI/GETTY IMAGES

Clockwise from above: Brendan Whitworth, chief of AB InBev's North American business; AB InBev CEO Michel Doukeris; Alissa Heinerscheid, who led Bud Light's marketing; transgender social-media star Dylan Mulvaney, who received a personalized Bud Light beer can.

But senior executives said they were caught off-guard by the Mulvaney promotion and the personalized beer can. AB InBev's leaders were uncomfortable with a marketing initiative that thrust one of its biggest brands into the middle of a divisive political issue, according to people familiar with the matter.

The company's response made matters worse. Anheuser-Busch stayed mostly silent for two weeks, then released a statement about bringing people together, prompting criticism for both waiting too long to respond and also not taking a clear stand.

When the furor continued, the company placed Heinerscheid and her boss, Daniel Blake, on leave. Heinerscheid was replaced in the role of head marketer for Bud Light by a seasoned beer executive and Blake's role was eliminated to give senior marketers closer oversight on brand decisions. Heinerscheid and Blake remain on leave. Anheuser-Busch declined to comment on their future at the company, citing the executives' privacy and safety.

The result angered pretty much everyone: core Bud Light consumers, supporters and opponents of transgender rights, wholesalers, retailers, bar owners and company staff.

Anheuser-Busch employees shared concerns with one another about the personnel changes and about the company's silence as Heinerscheid came under personal attack.

"It just feels like I work for a company that caved," an employee told The Wall Street Journal.

By the second week of May, Bud Light sales volume was down more than 28% compared with the same period last year in U.S. retail stores, according to an analysis of Nielsen data by consulting company Bump Williams. It was a rare case of a politically inspired product boycott working.

The company now plans for the first time to include Bud Light in the brewer's long-running sponsorship of a veterans organization, wholesalers said. Bud Light is leaning back into commercials on themes like football and country music. The brewer told its wholesalers that it would buy back unsold cases of beer that have gone past their expiration date.

"In the current environment in the social media landscape, you know that consumer brands in different situations might be pulled into the discussion," AB InBev Chief Executive Michel Doukeris said in an interview. "With one can, one post… we saw how this grew."

Bud Light, the No. 1 selling beer brand in the U.S., has been struggling for years with falling sales volume as consumers shifted to craft beers, hard seltzer and canned cocktails.

The brand hoped to pull off a tricky feat: bringing in new groups of drinkers without alienating its core customers. Bud Light's market share is particularly high in rural and conservative parts of the country, and its drinkers are predominantly male.

'Best gift ever'

Before joining Anheuser-Busch, Heinerscheid, 39 years old, had done stints at General Mills and Johnson & Johnson. Soon after her promotion to lead Bud Light in June 2022, she was named to Ad Age magazine's 40 Under 40 list of top marketers.

She was blunt about her mandate. In a podcast interview released in March, Heinerscheid said, "I had a really clear job to do when I took over Bud Light. It was, this brand is in decline, it's been in decline for a really long time, and if we do not attract young drinkers to come and drink this brand, there will be no future for Bud Light."

Her efforts seemed to be working. Wholesalers said they were thrilled at a meeting in January in Anaheim, Calif., where Heinerscheid and Blake unveiled a new marketing campaign for Bud Light and screened the company's planned Super Bowl ads with the slogan, "Easy to drink, easy to enjoy." After the Super Bowl ads aired, Bud Light's sales volume declines slowed, though they didn't turn around entirely.

The trouble began this year when the brand enlisted several social-media influencers, including Mulvaney, to create buzz for a Bud Light contest during the March Madness college basketball tournament.

Around the same time, the brand sent Mulvaney a personalized Bud Light can with her picture on it as a gift. Personalized cans are made by an outside vendor, which creates a custom plastic wrap to go around a regular beer can, according to wholesalers.

Mulvaney showed the can April 1 in a sponsored Instagram post, calling the can "possibly the best gift ever."

Mulvaney has 10.8 million followers on TikTok and 1.8 million on Instagram. Like many social-media stars, she has turned her platforms into a business by creating sponsored posts. In one, she wore a Nike sports bra. In another, she did a livestream video sponsored by Walmart and Native, a deodorant and skincare line. She also did a sponsored Bud Light post in February that attracted little negative attention at the time.

The single can made for Mulvaney was not for sale. Yet as the backlash picked up, many people, including bar and store owners, wrongly believed that the post was a television commercial or that the can was available in stores.

The musician Kid Rock posted a video on Twitter in which he shot cases of Bud Light with a rifle.

Critics of the beer's association with Mulvaney then turned their attention to Heinerscheid. They pointed to comments in her March podcast interview that they said insulted Bud Light drinkers. She had described previous Bud Light campaigns as having "fratty, sort of out of touch humor."

Anheuser-Busch stayed quiet and hoped that the boycott would blow over.

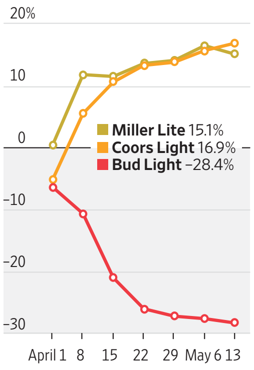
Anheuser-Busch works with 385 independent distributors, or wholesalers, across the country. Many of them are family-owned businesses that have carried Anheuser-Busch products for generations. The move of the company's sales and marketing hub from St. Louis to New York in 2015, several years after Anheuser-Busch was acquired by global giant InBev, has been a point of contention. Some wholesalers have pushed the brewer to move those marketers back to St. Louis, arguing that executives in New York are out of touch with the drinkers of the company's flagship brands. Anheuser-Busch also has marketers based in St. Louis, Austin, Miami and Los Angeles.

The wholesalers' employees, many driving trucks bearing the Bud Light logo, were soon confronted by angry people on streets, in stores and in bars. There were bomb threats at several Anheuser-Busch facilities and wholesaler locations.

On April 14, two weeks after Mulvaney's post, the company posted a statement on its website and on Twitter from Brendan Whitworth, the chief of AB InBev's North American business. It didn't mention Mulvaney or the personalized can.

"We never intended to be part of a discussion that divides people," Whitworth said in the statement. "We are in the business of bringing people together over a beer."

Weekly sales volume in the U.S., change from a year earlier*



*For the week ended each date
Source: Nielsen/Bump Williams Consulting

In a May 4 interview with the Journal, Doukeris, the CEO, said the Bud Light brand marketing team had made the decision to enlist Mulvaney as an influencer. He declined to say whether that had been a mistake.

"While beer will always be at the table when important topics are debated, the beer itself should not be the focus of the debate," he told analysts on a conference call the same day.

Damage control

Bud Light sales began dropping in the first week of April and kept falling for more than a month. The boycott has hurt other Anheuser-Busch beers, too, including Budweiser, Michelob Ultra and Busch Light. Sales volumes for rivals Coors Light and Miller Lite in the second week of May were up about 17% and 15%, respectively, according to Bump Williams.

The company named a replacement for Heinerscheid in the Bud Light role: Todd Allen, formerly the vice president of global marketing for Budweiser. When Qatari officials changed their minds about selling alcohol around stadiums at this year's World Cup, Allen was part of a team of AB InBev executives who ripped up much of the plan they had been working on for years and wrote a new one in days, capitalizing on the media attention that the alcohol ban generated.

Some wholesalers cheered the staffing moves. Del Papa Distributing, a wholesaler outside Houston, posted a statement on Facebook, trying to clarify misunderstandings about Mulvaney's post.

"The unfortunate reality that it happened without higher-level approval exposed a concerning lack of oversight for brand marketing decisions," Del Papa said in the statement.

On April 24, Whitworth, the chief of AB InBev's North American business, met with a group of its distributors in Washington, D.C. He told them that he hadn't known about Mulvaney's post, or the personalized can, until someone sent him a text message shortly after the backlash erupted.

The brewer promised to triple its planned U.S. marketing spending on Bud Light this summer and boost spending on other brands as well. The company said it would give a $500 bonus to truck drivers, delivery people, sales representatives and employees of independent wholesalers as an acknowledgment that many of them had been confronted or threatened by angry customers and critics of the promotion.

Anheuser-Busch also sent wholesalers a letter they could share with retailers to address misperceptions about Mulvaney's post. It noted that the personalized can was "one single can given to one social media influencer."

Mulvaney is an actor and singer who lives in Los Angeles and previously performed in a national tour of the Broadway musical "The Book of Mormon." Citing a responsibility to the transgender community, she said she now is being more selective about the public appearances and sponsorship opportunities that are offered to her.

Anheuser-Busch continues to receive blows from all sides.

Two Republican senators have called for an investigation into Anheuser-Busch's partnership with Mulvaney, alleging that the influencer's social-media followers include people under the legal drinking age. The company said it follows industry guidelines for ensuring that its marketing reaches adults and that Mulvaney's Instagram account met them.

The Human Rights Campaign, an LGBT rights organization, said Anheuser-Busch had shown a "profound lack of fortitude" and should have stood in solidarity with Mulvaney as people attacked her on social-media and conservative news outlets. The group this month suspended the brewer's Corporate Equality Index score, which ranks companies on their policies for lesbian, gay, bisexual, transgender and queer employees.

Doukeris said the brewer would continue to support organizations with which it has decadeslong relationships, including LGBT rights groups. He drew a distinction between corporate sponsorship and brand marketing. Beer marketing, he said, should focus on broad themes such as sports, music, and connecting people.

Addressing criticism that Anheuser-Busch didn't defend Heinerscheid, Doukeris said the company did everything it could to protect those who came under attack, including employees of independent distributors.

Doukeris and leaders of the brewer's North American business this month met with wholesalers in St. Louis and presented their turnaround plan.

They showed the distributors new special-edition Budweiser and Bud Light bottles highlighting the company's 13-year sponsorship of Folds of Honor, a nonprofit organization that provides scholarships for family members of military veterans and first responders who have been killed or disabled in the line of duty. Previously, the brewer had featured Folds of Honor only on Budweiser packaging.

The executives told wholesalers that Bud Light's market share losses had stabilized. Whitworth pledged to get it all back "and then some," according to distributors who attended. In interviews with the Journal, several wholesalers said Bud Light sales and market share in their markets were still falling.

Printed Boarding Pass, $25

Continued from Page One
and money—and add a new fee or two—are putting pressure on passengers to go digital. Alaska Airlines is overhauling its check-in lobbies at 115 airports and removing self-service kiosks where customers could print out boarding passes. The company is installing iPad-based stations that print only luggage tags.

Alaska Airlines passengers can print boarding passes at home, if they have a printer. If they forget, they can wait for a customer-service agent to print one, no charge. Ten airports have new iPad-based machines up and running so far. About 90% of the airline's fliers at those airports use digital boarding passes, said Charu Jain, Alaska's senior vice president of innovation and merchandising.

Some travelers might recall the old days when checked bags were free and it didn't cost extra to pick a seat. Some low-cost carriers have added physical boarding passes to the nickel-and-diming list.

Breeze Airways charges $3 to print each boarding pass. Allegiant Air charges $5, unless the traveler is a current or retired member of the military. Passengers on Spirit and Frontier airlines can pay as much as $25 for a customer-service representative to print them a pass.

A Frontier spokeswoman said travelers are charged "only for those things you could have done yourself." Passengers can also pre-purchase help from an airport agent at a reduced price, she added.

Ulster is no Luddite. She uses digital tickets for commuter rail travel and takes the subway using Apple Pay on her phone. She and others just want the security of a piece of paper guaranteeing them a seat on their flight.

Daniel King, a 46-year old cybersecurity consultant who lives outside Boston, believes that having phones replace paper passes contribute to delays at airport checkpoints because of user error. "I think it just causes more chaos than it's worth," he said. "When tech works it does save time. The problem is tech doesn't always work."

Carl Salmonsen, a 57-year-old retired IT security consultant in Sacramento, normally carries a paper boarding pass as a backup when he travels. On a recent trip, he was at the airport in Puerto Rico ready to return home. This time, he had only his mobile boarding pass.

After standing in the airport security line for about 15 minutes, he discovered his phone had gone into a security lock. It took him five minutes to retrieve his digital boarding pass. By then, the agent with the Transportation Security Administration had gone on a break.

Younger travelers posting on Twitter and Instagram mock passengers clutching pieces of paper. "If you're under 65 and have a paper boarding pass, I'm just going to assume you are going to cause delays during my airport experience," one person tweeted.

Kimyatta Harper, a travel specialist with Exhilarating Travels in Detroit, uses paper boarding passes as a prop when she creates content for TikTok and other social media. She tucks her boarding passes in her passport or holds them in her hand. "I can't do that with the boarding pass on my cellphone," she said.

Ben Gold recently returned from an eight-week trip across Southeast Asia with his 15-year-old son. Gold, 56, usually uses his phone to board the plane. For this trip, crossing several countries on multiple airlines, he went the paper route.

Those boarding passes became souvenirs of the father-son adventure. They are now part of a commemorative scrapbook created on a website that allows people to design personal photo albums and have them published for coffee table display.

"It's ironic that there's a picture taken, stuck on a website, which then gets printed out," he said.

Others view their paper boarding pass as a ticket to grand adventures—and a throwback to an era when air travel was more glamorous and enjoyable. Joan Cusick, a 68-year-old photographer and freelance writer in Sacramento, eagerly awaits the moment ahead of every trip when she prints out the boarding passes in her home office.

"Once I have them in my hands," she said, "I'm on vacation."

© 2023 Dow Jones & Company. All Rights Reserved.

By Anne Tergesen And Veronica Dagher

FROM TOP: MATILDE VIEGAS, OZZIE HOPPE, EDU BAYER AND PATRICK WACK FOR THE WALL STREET JOURNAL

Here's How Retirement Looks For Americans Who Left U.S.

Six people open up about the financial and personal challenges of spending later years overseas

Many Americans dream of retiring overseas, and more are packing their bags.

Whether seeking adventure, self-reinvention, or just a lower cost of living, international retirees face unique challenges.

It is unclear how many Americans retire abroad, but where people collect their Social Security checks provides a ballpark figure. Nearly 450,000 people received their benefits outside the U.S. at the end of 2021, up from 307,000 in 2008, according to the Social Security Administration, which says nearly half are U.S. citizens.

Once a fringe idea, retiring abroad has gone mainstream, said Kathleen Peddicord, founder of Live and Invest Overseas, which provides information on subjects including healthcare quality and the cost of living in various countries. Because many Americans living overseas have their Social Security checks deposited into U.S. bank accounts, government data likely understates the trend, she said.

The strong dollar has made many countries seem affordable, Peddicord said. Many countries have visas designed for retirees. Typically, they require applicants to disclose income and assets to prove they won't become a financial burden. Other hurdles include leaving children and grandchildren, she said.

We spoke in depth with six retirees who relocated to France, Portugal, Spain and Costa Rica. With savings ranging from $70,000 to $1.8 million, they prove that an overseas move doesn't require a massive nest egg. They shared insights about their spending and routines, the challenges of building a new life, and what has given them joy or anxiety along the way.

RICK JONES AND ELLEN BRYSON

71 and 73 years old
Location: Paris, France
Annual spending: $135,000

Retiring abroad took Rick Jones and Ellen Bryson two tries. The couple moved to Buenos Aires in 2006 after realizing during a vacation that they could afford to retire there despite being in their 50s at the time. They sold their Washington, D.C., apartment for about $900,000 and bought a sprawling place in Buenos Aires.

Yet the novelty eventually wore off, and while Bryson, 73, was writing a novel, "I didn't have a purpose for getting out of bed in the morning," said Jones, now 71 and a retired Navy SEAL officer.

They returned to the U.S., but in 2016 Bryson came home from a French class with a new destination in mind: Paris. The couple joined expatriate organizations. The social ties they forged "provided a support system during the pandemic," Bryson said.

Jones sets annual goals that give him a sense of purpose. He took up the flute and regularly engages in conversation exchanges with native French speakers.

Bryson takes Pilates and French and is writing her third novel.

The downside to living in France? Paperwork, said Jones, who reserves time every morning for forms, from tax returns to applications for driver's licenses.

The couple have long-stay visas they renew annually, requiring them to show they have enough income to support themselves and to promise they won't work for pay in France. Next year, they will qualify to apply for a visa that's valid for 10 years.

Each month, they receive $4,300 from Social Security, about $5,000 from Jones's military pension, and about $4,000 from a retirement account. They have no debt.

SUSAN WOJCIK

62 years old
Location: Samara, Costa Rica
Annual spending: $16,600

Susan Wojcik, 62, fell in love with Costa Rica in 2001 on a vacation arranged by her housecleaner, a native of the country.

Wojcik and her former husband were especially taken with a small Pacific coast beach town called Samara. "They call Samara the black hole of happiness," said Wojcik, a former resident of Southampton, N.Y. "If you come here and feel it, you never want to leave. I felt it."

The couple divorced in 2015. She moved to Samara soon after, spending $235,000 of her $400,000 nest egg to buy land and build a small bed & breakfast.

In 2019, Wojcik reconnected with a high-school friend living in Atlanta. The two married in March 2020, just as lockdowns forced Wojcik to temporarily shut her B&B.

She was devastated when her husband, who had multiple sclerosis, died in November 2020. In 2021, she sold the B&B and briefly moved to the U.S. to care for her ailing mother, who died that fall.

Wojcik returned to Costa Rica and put the money from the sale of her business in the bank, where it earns 6% to 8% annually in interest. Her goal is to use the $70,000 that remains for emergencies.

> An overseas move in retirement doesn't always require a massive nest egg.

Ricardo Crawley and Halisi Vinson, above, say they enjoy Lisbon's slower pace and lower prices. Susan Wojcik, left, fell in love with Costa Rica while on vacation in 2001.

While prices have risen, Wojcik says the $1,421 a month she receives from Social Security covers her expenses. She recently obtained a residence permit and pays $90 a month to the public health-care system for insurance.

The downside to living in Costa Rica is the inefficiency that can mean long lines at the bank and requirements to pay bills in person.

"If you can tolerate the red tape it's paradise," Wojcik said.

MATTHEW COE

60 years old
Location: Barcelona, Spain
Annual spending: $57,000

Matthew Coe, 60, moved to Barcelona about 13 years ago after working and traveling abroad. The former corporate lawyer worked remotely from Spain as a legal consultant, invested in local real estate, and last year started his own business.

His business, which helps international buyers find and redo homes around Barcelona, takes about 20 hours a week, on average, though some weeks he doesn't work at all and that is the way he likes it. The job brings him closer to the local community.

"I plan on never fully retiring," he said.

He spends about $3,000 a month on food, utilities, public transportation, and other living expenses. His roughly 900-square-foot condo cost $400,000, and he pays about $1,000 a year for a private health-insurance policy that he keeps in addition to the public insurance he receives through the regional Catalan government. He has no debt.

Coe, who is single with no children, grew up in eastern Washington state. His mother, who is in her 80s, and siblings still live in the U.S. Distance from family and some close friends is the part of living abroad that he finds most difficult.

"My stress level in Spain is much lower as a result of the lower cost of living and an overall higher quality of life," he said.

HALISI VINSON AND RICARDO CRAWLEY

58 and 67 years old
Location: Lisbon, Portugal
Annual spending: $31,200

About six years ago, Halisi Vinson and Ricardo Crawley realized their financial life needed a major change.

The wake-up call came in part after meeting with a financial adviser who told them they'd likely struggle in retirement if they didn't boost their savings.

Vinson, now 58, and Crawley, now 67, had about $25,000 in credit-card debt and less than $50,000 saved in total for retirement at the time.

The Denver couple, who married about 20 years ago, blamed their excessive spending.

"I didn't want to die in poverty," said Vinson, the retired executive director of the Colorado Democratic Party.

They eventually paid their credit-card debt and managed to increase their retirement savings to about $300,000—all in about six years.

They have six adult children between them and since most of them have moved away from Denver, the couple no longer felt anchored there.

After speaking to other Americans who had moved abroad and a one-month visit, the couple decided to move to Portugal.

They rented their Denver home to two of their adult children, making a profit of about $100 a month. They break even on the Los Angeles apartment they purchased about two years ago and rent to Vinson's mother. They have roughly $600,000 in mortgage debt. They eventually plan to rent both residences out at market rate, which will net them about $1,000 a month in total.

Crawley receives about $2,700 in Social Security. Vinson plans to take Social Security as soon as she's able.

Living in Lisbon has helped them further trim spending. Expenses including rent and dining out run about $2,600 a month, about half what they'd expect to spend in the U.S.

They both feel at peace no longer constantly worrying about money. They enjoy low-cost meals at local cafes, exploring Portugal and creating videos for their YouTube channel, which encourages other Black Americans to move abroad for a lower cost of living.

Matthew Coe, above right, moved to Barcelona about 13 years ago after working and traveling abroad. Rick Jones and Ellen Bryson, left, shop at a food market in Paris.

WORK & LIFE
RACHEL FEINTZEIG

Your Next Big Decision Really Should Scare You

Your gut says no, but here's why you shouldn't always listen to it

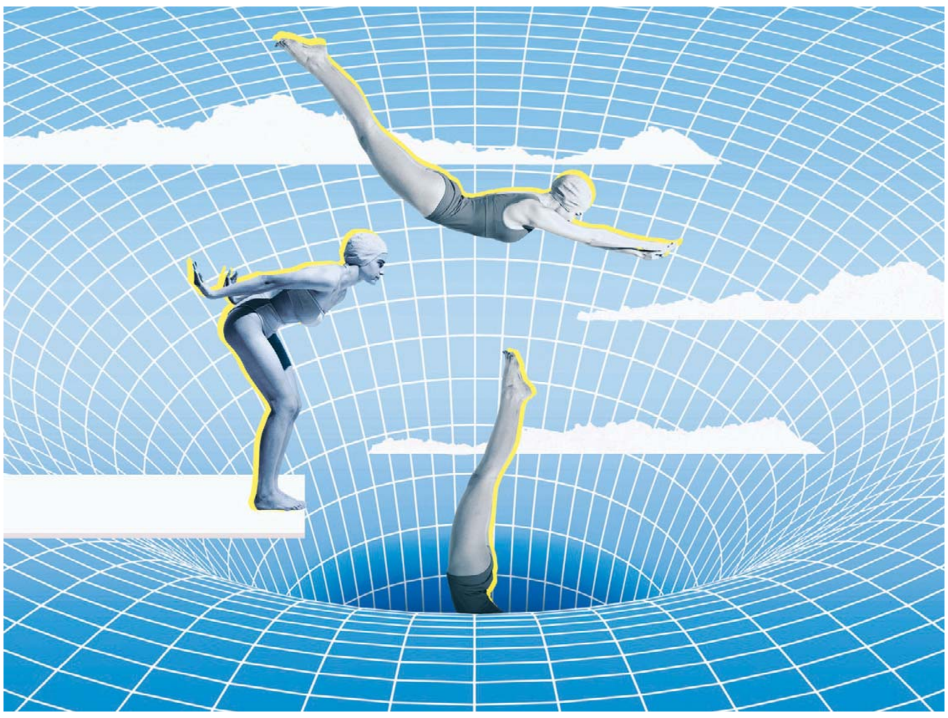


PHOTO ILLUSTRATION BY ELENA SCOTTI/THE WALL STREET JOURNAL; ISTOCK (2)

Melissa Ben-Ishay was scared when she walked into the first commercial kitchen for baking her cupcakes. She was scared when a publisher proposed she write a cookbook. And she was terrified when the board of Baked by Melissa, the company that bears her name but had long been run by more-experienced executives, offered her the CEO role in 2019.

"It was nauseating and emotional, like in my throat," she says. She put the "Rocky" theme on her headphones. She considered her blind spots, like her lack of finance knowledge. But she didn't say no.

"That's just not an option," she says. "You have to do the things that are scary."

Big moments and decisions in our lives can make our stomachs drop. Moving somewhere new, getting married, starting a family—if we're sizing them up realistically, maybe we should be nervous. (Newborns *are* exhausting; being a manager *is* hard.) More than half of workers in a recent poll ranked starting a new job as scarier than skydiving or holding a snake.

Just trust your gut, everyone implores when you're staring down a new opportunity. It takes effort to distinguish between normal jitters and the kind of fear that's a real warning sign, though. And it's more work still to persuade yourself to just do it, even if you're doing it scared.

First, take a breath, advises Luana Marques, an associate professor of psychiatry at Harvard Medical School and the author of a coming book about harnessing anxiety. Calm your nerves by meditating, taking a walk or talking to a friend. Then, with clearer eyes, ask yourself: If I said yes, would taking on the discomfort of a new thing get me closer to where I want to be in my career or relationships?

Often, the fear cloaking our big decisions is "an anxiety toward your dream life," Marques says.

The tough parts

For years, when Jessica Lapp thought about having a baby, she mostly felt freaked out. The wedding photographer, now 29 years old, would scroll through motherhood accounts on Instagram, where new moms lamented having no time to sleep, exercise or shower.

"Why would you sign up for this?" she recalls thinking.

Still, she could envision having a family with her husband. She began to poke at her fear. Was she focusing on the short-term trials of having a baby and losing sight of the long-term joys of having a child?

Fear can even be helpful, she realized, steeling oneself for the tough parts: the colicky baby, the loneliness of those early months.

"It's the best decision I ever made," she told me from her home near Charlottesville, Va., while her 1-year-old, Evelyn, napped.

> It's human to overcomplicate the moments that matter, and that's OK.

It's human to overcomplicate the moments that matter, and that's OK, says Oded Netzer, a Columbia Business School professor who studies the use of data in decision-making. Research from Netzer and co-authors finds that, when faced with a clear but important choice, we start weighing factors that don't really matter to us, such as the layout options at the school your kid would attend if you moved. Doing that makes the decision harder for ourselves, but it matches the gravity of the situation.

Spiraling into our fear, he says, ultimately makes us more confident in our call because we've done our due diligence instead of blindly trusting our intuition.

Comfortable, miserable

Not choosing is making a choice, too. Many clients who come to Tega Edwin, a St. Louis-based career counselor, have stayed in bad jobs for years, terrified they'll fail or be equally miserable elsewhere. And sure, they might.

Avoiding the unknown, Edwin tells them, guarantees a bad outcome: the job you already know you hate.

"I'm going to be in the exact same circumstance and nothing would change," Danny Thompson, a software engineer in the Dallas area, says he figured when sizing up whether to try martial-arts classes.

After gaining pandemic pounds, he was nervous to don the tight shirts required for jiu jitsu, afraid to be out of breath. Yet he knew there was no way his health would improve if he didn't go.

"Fifteen seconds in, I was exhausted," he said of the first lesson. Slowly, he got better. He participated in his first competition this winter, still scared, and placed second in his weight class.

Danger ahead

Sometimes you shouldn't trudge ahead. Anne Mamaghani, a user-experience consultant in San Jose, Calif., felt torn when a recruiter presented a job opportunity that would have brought her near family in Indiana, exposed her to a new industry and boosted her title. The thought of wresting her two children, ages 10 and 13, from their school and community felt awful, though.

The stakes seemed too high to simply forge on, as she'd done in other situations. After all, it was her family members who would pay the price for a wrong call. After a couple of weeks of considering, she told the recruiter no thanks.

Learning to navigate change can be like building a muscle. When Mark Smith moved to Toronto from Salt Lake City a few years ago with his family, panic hit him on the first day of his new job.

"I just started thinking, what have I done?" he says. It took anti-anxiety medication, a visit from friends and several months before he felt confident in his new life. That time abroad did bring him closer to his wife and son, he says, and proved his own resilience.

Smith jumped at the chance when the family had an opportunity to move to Italy last year. This time, he says he felt no fear at all.

"A good life," he says, "requires a few risks."

DOW JONES NEWS FUND

Learn more about the impact your journalism career can have on the world. Wall Street Journal reporter Erin Ailworth and others share career advice at **dowjonesnewsfund.org/careers.**

Good Wedding Guests Know the Tech Rules

By Shara Tibken

The chance of a tech-related wedding faux pas has never been higher.

When Teresa Giudice sent invites to her wedding last year, her fellow "Real Housewife" Ramona Singer shared the elaborate invitation on Instagram. Suddenly, the wedding's New Jersey venue, website and RSVP password were visible to hundreds of thousands of Singer's followers—and the rest of the internet.

Giudice and her fiancé, Luis Ruelas, had to change the site's password, mail out new invites and hire extra security for the August festivities.

"So many thoughts were going through my head, but I know it was an honest mistake," Giudice, who stars on Bravo's "The Real Housewives of New Jersey," said via her wedding planner. Publicists for Singer didn't respond to requests for comment.

Massive audience aside, it's an all-too-relatable mistake in an age where everything can end up online. As people get ready to attend one of many weddings this summer during the postpandemic boom, we have a lot of questions. What—and when—can you post online? Can you livestream the vows? And what's up with that QR code at the gift table?

One tip is a no-brainer: Keep your phone on silent mode. For everything else, here's what wedding planners and other experts recommend.

Invites and logistics

Wedding tech etiquette starts well before the actual event.

Read the wedding website. The couple set it up for a reason. It usually details everything the invite leaves out—venue, dress code, gift registry, etc. And, of course, don't post any details.

RSVP the right way. If the invite is sent via Paperless Post, don't RSVP via text message.

Ceremony etiquette

Rebecca Schroeder, an Austin, Texas-based videographer, says most weddings she shoots feature "unplugged" ceremonies—no smartphones or tablets. Yet almost none have made it through without someone flouting the rules, she said.

JENNA RUSSO/SILENT CAPTURE PHOTO

Wedding details of Teresa Giudice and Luis Ruelas were shared on Instagram.

Learn the camera rules. Last year, an unplugged ceremony was the desire of 45% of couples surveyed by The Knot, up 23 percentage points from five years ago.

Don't block the photographer. Some officiants now give guests time to take photos at the beginning of the ceremony or during a "social-media moment" like the couple's first kiss, then ask for phones to be put away.

Forget live-streaming. The Covid-19 pandemic moved many weddings online, and some couples still broadcast ceremonies for far-off family and friends. That doesn't mean they want everyone streaming the wedding, said Medha Sridhar, a Los Angeles-based wedding planner at Limelight Productions.

Respect the couple's wishes. Many etiquette experts and wedding planners say guests shouldn't post online before the couple does, but it also depends on the newlyweds' attitudes toward social media.

Gift giving

It isn't taboo to give money as a gift. Wedding-planning site Zola's survey of couples getting married in 2023 found 81% are including cash funds on their registries.

Check fees when contributing funds. Registry sites that help collect money for things like honeymoons might charge a service fee.

Avoid charges by using payment apps. If you want to make sure the couple gets the full $100, opt for Venmo, Cash App or other direct-payment services.

After the wedding

Send your photos and videos to the couple. Many newlyweds set up cloud albums or folders for guests' photos. Some couples post QR codes to direct guests where to upload, said Lauren Ladouceur, a New York-based content creator who makes social posts for couples.

Save your social-media posts, too. If you're posting videos and photos on social media, download copies to send to the couple.

Ask for pro photos. It's acceptable to make inquiries following the newlyweds' honeymoon, said Elaine Swann, an etiquette expert based in Carlsbad, Calif.

—Cordilia James and Ann-Marie Alcántara contributed to this article.

By Joanne Kaufman

EXHIBITION REVIEW

Delicious Orders of the Day

An exhibition gathers more than 200 bills of fare to tell a food-focused American history

New York

'A Century of Dining Out," a new exhibit at the Grolier Club here, addresses the question that has dogged humanity since the beginning of time: What's for dinner?

Subtitled "The American Story in Menus, 1841-1941," the show is a canny blend of social, military and political history—to say nothing of black and women's history, literary history and, of course, culinary history. Waiter, the diamondback terrapin, if you please.

Menus, offering variety, novelty and the delights of anticipation, trickled into regular use in the U.S. during the 1840s. (France had been a bit earlier to the table.) Hotels and restaurants began edging out inns and taverns, where, come mealtime, guests had essentially two choices: yes or no.

Initially, it was the upper crust and the professional and intellectual members of society who took advantage of this new way of choosing and breaking bread; they were the lucky few who could afford to dine out.

"I've always been interested in food and wine, and I've always been interested in how culture is expressed through food and social customs," the show's curator, Henry Voigt, a Grolier Club member, said in a phone interview last month. "I want people to appreciate the degree to which menus reflected society and its values, and reflected what was going on in society," added Mr. Voigt, who assembled the exhibit from his own collection of some 10,000 menus.

"Postponed until June 11, 1890 on account of Johnstown Flood," reads a notice on the banquet menu for the Medical Society of Pennsylvania, while a circa 1912 menu from Antoine's in New Orleans offered "huitres à la Taft" and "canapé Roosevelt," allowing diners to vote with their palates (if not necessarily their ballots). "Eat Plenty—Eat Wisely—But Without Waste" urged a menu from New York's Biltmore Hotel during World War I.

Visitors to the exhibit, which runs through July 29, will learn that from the 1830s to the beginning of the Civil War, high-end hostelries like New York's Astor House had separate dining rooms for men and women; that some of the offerings at *haute monde* establishments were described in French; that Americans ate quickly, sometimes clearing their plates in 10 minutes; and that waiters at high-toned hotels in Boston toward the end of the 19th century were customarily black men. They were marginalized by the end of that century, as wealthy northerners who wanted to emulate the European aristocracy decided they preferred white waiters.

Promising variety and anticipation, menus trickled into regular use in the U.S. in the 1840s.

Menu language of an earlier era requires translation for contemporary diners. Today, "entrée" denotes the main course. In the 19th century, it was a signifier of refined dishes that were prepared using French techniques like sautéing and were presented in small portions. Pasta also fell under that heading. "Dessert," meanwhile, was not something to eat now and atone for later. Derived from "*desservir*" (meaning: to clear the table), it referred to the fruit and nuts placed on the table after the dishes had been removed.

While early menus were generally unadorned affairs and meant for short-term use, some—often fashioned by Tiffany's and the vaunted stationer Dempsey & Carroll—were little works of art and conceived as souvenirs. When, in 1889, William Waldorf Astor hosted a dinner at Delmonico's in Manhattan to strategize with local grandees about lassoing the next World's Fair for New York instead of Chicago (spoiler alert: the Windy City prevailed), each of the 50 guests got a menu with a with a different finely rendered watercolor scene. A menu card for a private dinner at J. Pierpont Morgan's residence in February 1900 featured a watercolor illustration of the host's yacht Corsair.

The exhibit, which is divided into sections like "Hospitality From Sea to Shining Sea" and "Prosperity in the Gilded Age," comprises 224 pieces—from the humblest eateries, like the White Swan, a Greyhound bus stop on Route 66, to the most posh, like New York's legendary Le Pavillon. Its bill of fare, dated Dec. 9, 1941, closes out the show. But, by way of adding variety to the display, there is also a small replica of a knapsack, cunningly designed to hold the menu card, at an 1884 banquet for the Military Order of the Loyal Legion of the United States, a veterans' organization for Union officers of the Civil War.

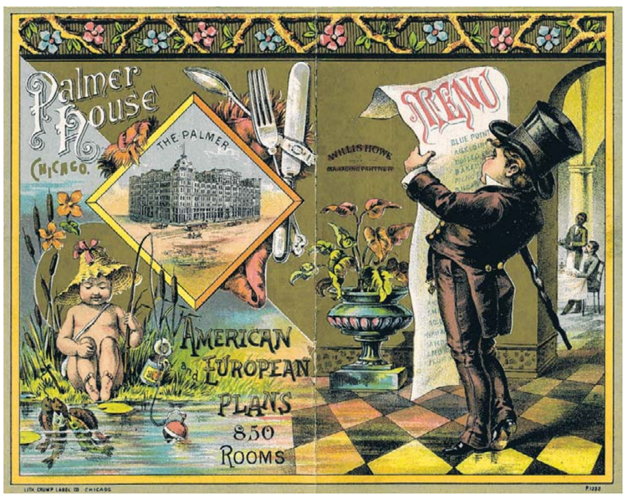
Among the rarities: a menu from Lincoln's Second Inaugural Ball (March 6, 1865) and the only known copies of two menus from Taylor's Saloon, one of the most opulent restaurants in antebellum New York—and one of the very few where women could dine without a male companion. There are also a couple of menus that are relics of the Confederate South—one from the Lanier House in Macon, Ga., another from the American Hotel in Richmond, where wartime shortages wiped coffee, tea and pastries off the list of daily offerings.

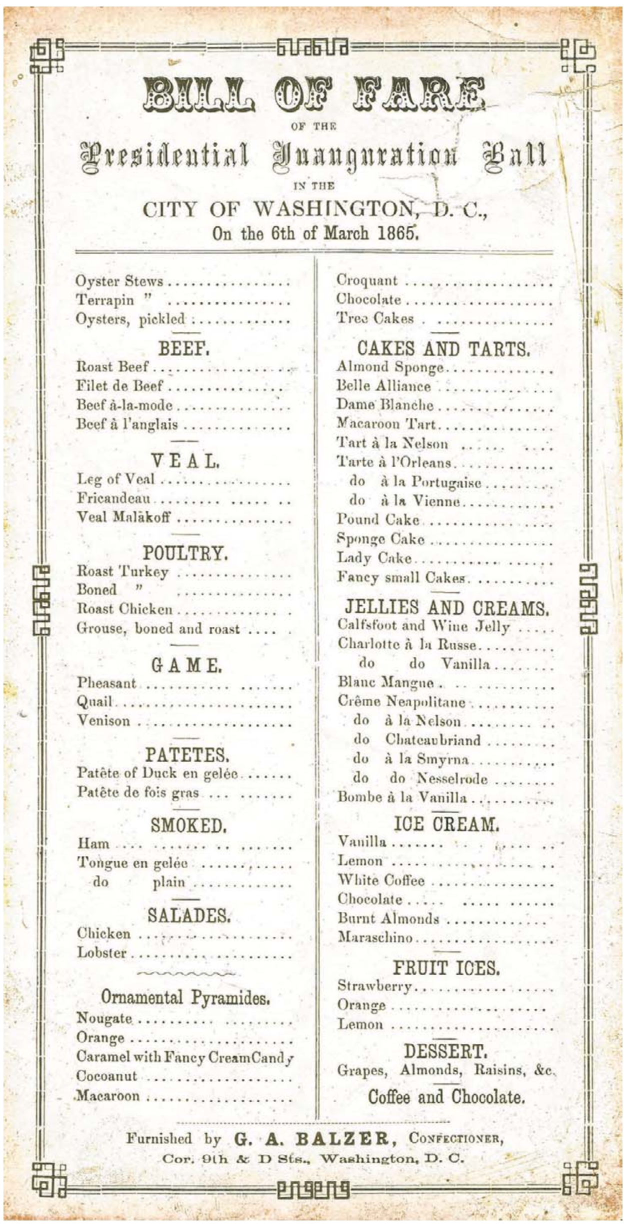
In a tip of the hat to the Grolier Club, a private bibliophile society, several pieces of ephemera in the show have a literary flavor. They include a mid-19th-century menu from Sandy Welsh's, an "eating house" on Nassau Street, then the center of New York's fourth estate. Rumor had it that Edgar Allan Poe, then working at the Evening Mirror, read his work-in-progress "The Raven" to his fellow journalists at Welsh's and, rumor also had it, accepted their assistance on the opus.

"A Century of Dining Out," which fills 11 display cases in the club's ground-floor gallery, is, you might say, a lot to digest. There's a snack-size version on the Grolier website. And you can always go back for seconds.

A Century of Dining Out: The American Story in Menus, 1841-1941
The Grolier Club, through July 29

Ms. Kaufman writes on culture and the arts for the Journal.





BILL OF FARE
OF THE
Presidential Inauguration Ball
IN THE
CITY OF WASHINGTON, D. C.,
On the 6th of March 1865.

Oyster Stews
Terrapin "
Oysters, pickled

BEEF.
Roast Beef
Filet de Beef
Beef à-la-mode
Beef à l'anglais

VEAL.
Leg of Veal
Fricandeau
Veal Malakoff

POULTRY.
Roast Turkey
Boned "
Roast Chicken
Grouse, boned and roast

GAME.
Pheasant
Quail
Venison

PATETES.
Patète of Duck en gelée
Patète de fois gras

SMOKED.
Ham
Tongue en gelée
do plain

SALADES.
Chicken
Lobster

Ornamental Pyramides.
Nougate
Orange
Caramel with Fancy Cream Candy
Cocoanut
Macaroon

Croquant
Chocolate
Tree Cakes

CAKES AND TARTS.
Almond Sponge
Belle Alliance
Dame Blanche
Macaroon Tart
Tart à la Nelson
Tarte à l'Orleans
do à la Portugaise
do à la Vienne
Pound Cake
Sponge Cake
Lady Cake
Fancy small Cakes

JELLIES AND CREAMS.
Calfsfoot and Wine Jelly
Charlotte à la Russe
do do Vanilla
Blanc Mange
Crême Neapolitaine
do à la Nelson
do Chateaubriand
do à la Smyrna
do do Nesselrode
Bombe à la Vanilla

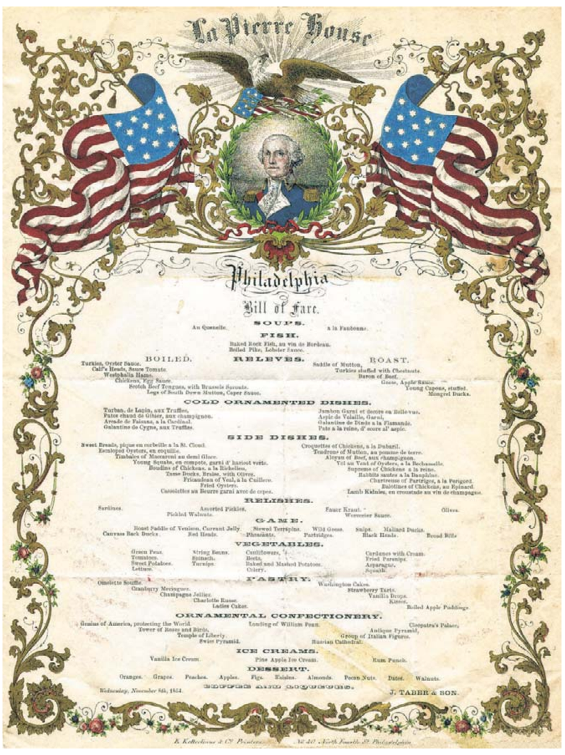
ICE CREAM.
Vanilla
Lemon
White Coffee
Chocolate
Burnt Almonds
Maraschino

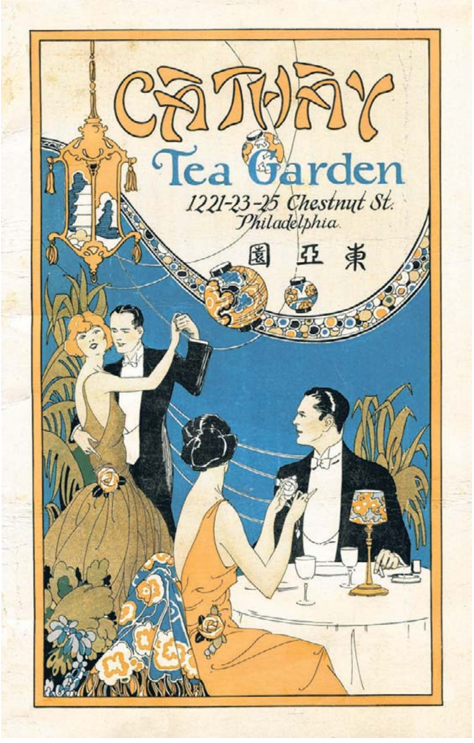
FRUIT ICES.
Strawberry
Orange
Lemon

DESSERT.
Grapes, Almonds, Raisins, &c.
Coffee and Chocolate.

Furnished by G. A. BALZER, Confectioner,
Cor. 9th & D Sts., Washington, D. C.

Clockwise from above: menu from Chicago's Palmer House hotel; installation view of 'A Century of Dining Out'; and a bill of fare from Lincoln's Second Inaugural Ball





Installation view, above, and menus from Philadelphia's La Pierre House, right, and Cathay Tea Garden, far right

GROLIER CLUB (6)

SPORTS

Koepka Wins the PGA Championship

The 33-year-old became the first player to win a major after leaving the PGA Tour for the Saudi-backed LIV Golf league

By Andrew Beaton

At 9-under par, Brooks Koepka prevailed in the PGA Championship at Oak Hill Country Club in Rochester, N.Y. It is Koepka's fifth career major title.

ABBIE PARR/ASSOCIATED PRESS

Brooks Koepka didn't sleep the Sunday night after this year's Masters. He was consumed with what went wrong that day.

Koepka, a player known for his killer instincts in major championships, had coughed up a two-stroke lead entering the final round and stunningly lost by four. He spent days reflecting, and ultimately discovered that his biggest problem was his mind-set.

"If you have a lead and cough it up, that's choking," he said this week.

Koepka didn't choke again Sunday. He's a major champion once again.

At 9-under par, Koepka prevailed in the PGA Championship at Oak Hill Country Club in Rochester, N.Y., where he tamed a golf course that gave the best golfers in the world fits all week. The win is Koepka's third in this tournament and fifth major overall—but it's a more notable first. Koepka is now the first player to win a major after leaving the PGA Tour for the Saudi-backed LIV Golf league.

The 33-year-old American finished two shots ahead of world No. 2 Scottie Scheffler, who surged up the leaderboard late Sunday after a poor third round, and Viktor Hovland, a top young player from Norway who was seeking his first major trophy. Koepka and Hovland, in the last pairing together, produced an exhilarating final round as they were within one shot of each other for much of the day, including on the back nine.

But Hovland's dreams fell apart when a failed shot from a fairway bunker on the 16th led to a double bogey, while Koepka birdied—sending the lead from one to four strokes in an instant. That ended the drama on the final two holes, and even after Koepka bogeyed the 17th and Hovland birdied the 18th, it was a formality when Koepka tapped in his last putt for par on the final green: the PGA Championship was his.

The victory solidifies Koepka's status as an all-time shark in majors, making him the 20th player with at least five such titles. It also reaffirms what he displayed over the first three rounds in the Masters: that after a couple of years when his relevance was diminished due to injury, Koepka is back and still one of the game's pre-eminent forces in its biggest events—no matter what tour he plays on.

When Koepka won four majors—two U.S. Opens and two PGAs from 2017 to 2019—he was perhaps the game's most feared player. With robotic precision, he seemed to have a unique capacity to flip a switch in golf's brightest spotlights. Half of his career PGA Tour victories were majors. But over the next three years, he won just once on Tour while he dealt with various injuries that sapped his powers.

"Golf's so crazy because when you have it, you feel like you're never gonna lose it," Koepka said on the recent "Full Swing" docuseries. "And when you don't have it, you feel like you're never gonna get it."

His problems were easy for fans to see on the course, too. A player who had been routinely placing near or atop the leaderboard at the four majors had quickly become an afterthought in them. In 2022, he missed two cuts and finished in 55th in both of the others.

It's also not difficult to connect his professional downturn and his decision to join LIV last year—especially because it isn't something he really disputes. LIV, with the backing of Saudi Arabia's sovereign-wealth fund, offered big-name golfers lucrative appearance fees to play in small, no-cut tournaments with record prize funds. For older players, or others struggling to win on the PGA Tour, LIV's proposition of guaranteed cash was even more attractive.

Koepka, speaking at the Masters, conceded his decision to bolt to the upstart circuit would have been harder if he had been healthier at the time. "But I'm happy with the decision I made," he added.

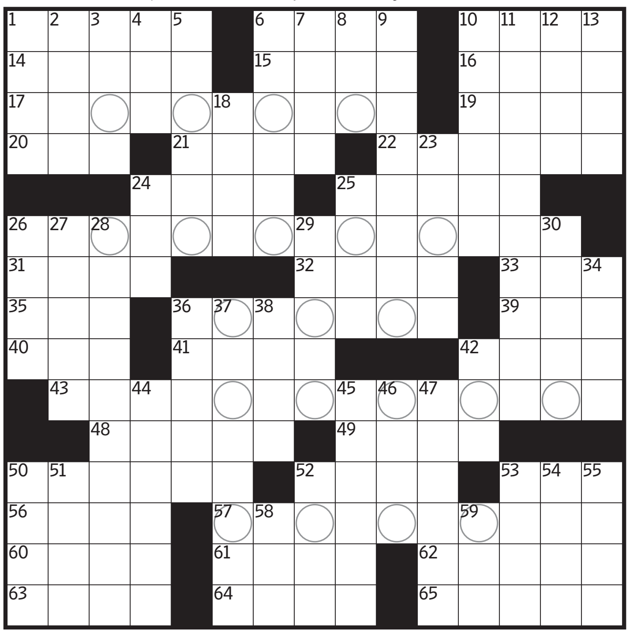
While Koepka prevailed Sunday, there were some nervy moments. After surging to a three-shot lead with three birdies in his first four holes, back-to-back bogeys shortly thereafter narrowed the gap. For much of the final day, his lead over Hovland was just one stroke while world No. 2 Scottie Scheffler got closer and closer on a star-studded leaderboard that included one notable outsider: club pro Michael Block, who finished in 15th place and received the loudest cheers of the tournament. And that was before the pro at Arroyo Trabuco Golf Club in Southern California recorded a hole-in-one that made the galleries delirious on Sunday.

The victory has outsize importance for Koepka, owing to his decision to join LIV. The upstart isn't accredited by the Official World Golf Ranking, which is a primary pathway for gaining entry into majors. Because of that, Koepka and his colleagues are tumbling on that list.

But another way to gain exemptions is by winning a recent major. The championships typically award entry to the winners of the other majors from the prior five years.

That means Koepka won't have to worry about receiving invitations for quite a while no matter what happens with the rankings. That's because he's a major champion once again.

The WSJ Daily Crossword | Edited by Mike Shenk



ALT MUSIC | By Mike Shenk

Across

1 Nearly perpendicular
6 Antlered animal
10 Recedes
14 Chicago airport
15 Estimate-ending words
16 Put into categories
17 Baked dessert often topped with cream cheese icing
19 The Jonas Brothers, for one
20 Family
21 Annoyingly slow
22 Follow stealthily
24 Sticky stuff
25 Champagne glass
26 Airstream vehicles
31 Galena and bauxite, for two
32 "Joy of Cooking" writer Rombauer
33 ___ Vegas
35 Pod vegetable
36 Speaker boosters
39 End of many a co. name
40 "Bel Canto" author Patchett
41 Remove from office
42 "Do ___ others..."
43 Feature of a car or plane
48 Aggressively virile
49 Hold power
50 Inner self
52 Recital highlight
53 Tentative taste
56 Shakespeare villain
57 Arrive after the overture, say
60 Sign between twins and lion
61 Godsend
62 Champing at the bit
63 Is suffering
64 Longings
65 Mangrove's setting

Down

1 Laundry loss, perhaps
2 Peanut-rich cuisine
3 Bring in
4 Do the wrong thing
5 Barbra Streisand hit
6 Spot for a bulb
7 Cafeteria carrier
8 Make inquiries
9 Wilts
10 Pricey property
11 Map demarcation
12 Stylish vigor
13 Put away
18 Sightseeing excursion
23 Island dances
24 Phone-tracking letters
25 Growing business?
26 Club where Lola worked, in song
27 Sports complex
28 1932 Spencer Tracy/Joan Bennett movie
29 Rodeo rope
30 Seasonal visitor
34 Person from Paisley
36 Kangaroo feature
37 Passes in the blink of an eye
38 "___ perpetua" (Idaho motto)
42 Put into service
44 Gillian of "Community"
45 One of four NFL teams never to appear in a Super Bowl
46 Humdinger
47 Alters altar plans, maybe
50 Printer's measure
51 Mumbai garment
52 Before you know it
53 Short story's antithesis
54 Article
55 Criminal, to a cop
58 Ground breaker
59 Order's partner

Previous Puzzle's Solution

P	I	N	S	U	P	■	I	S	N	T	■	I	N	A
A	R	O	U	S	E	■	C	H	O	O	■	N	E	W
C	A	R	E	F	R	E	E	H	W	Y	■	A	G	O
■	■	■	B	L	E	D	■	■	■	O	I	L	E	R
E	V	I	E	■	S	U	N	S	E	T	B	L	V	D
A	I	D	E	D	■	■	A	P	P	A	L	■	■	■
R	B	I	■	A	I	O	L	I	S	■	U	S	O	■
P	E	N	N	Y	L	N	■	R	O	D	E	O	D	R
■	S	A	O	■	L	E	M	O	N	S	■	A	E	S
■	■	■	H	A	G	I	A	■	■	T	A	R	O	T
M	A	D	I	S	O	N	A	V	E	■	M	E	N	U
A	G	I	T	A	■	■	■	I	M	H	O	■	■	■
T	O	O	■	C	O	L	U	M	B	U	S	C	I	R
E	N	D	■	U	R	I	S	■	E	L	O	I	S	E
D	Y	E	■	E	L	E	C	■	R	A	Z	O	R	S

The contest answer is SESAME STREET. Take the missing letters from each type of road's abbreviation and add another letter to form a grid answer: IGHA + A = HAGIA; OUEAR + S = AROUSE; AE + S = AES; IVE + E = EVIE; NUE + M = MENU; and CLE + E = ELEC. Those added letters, in grid order, spell SESAME, suggesting the contest answer.

▶ Solve this puzzle online and discuss it at **WSJ.com/Puzzles.**

A meme featuring 'Avengers' villain Thanos has become a key part of a chess legal battle.

MARVEL STUDIOS/DISNEY/ASSOCIATED PRESS

Thanos Cited in Chess Lawsuit

By Andrew Beaton And Joshua Robinson

It was stunning enough when explosive allegations over cheating in the world of elite chess turned into a $100 million lawsuit. But now that lawsuit involves an even stranger dispute: How to interpret a meme from a superhero movie.

The lawsuit, which was filed by American grandmaster Hans Moke Niemann last year, now includes extensive briefs on a character that first appeared in a comic book a half-century ago.

Niemann's lawsuit alleged that five-time world champion Magnus Carlsen and Chess.com, among others, had defamed him with claims that Niemann had cheated more than he let on. Niemann had admitted to cheating in limited circumstances in online competition, but denied any impropriety in games played in-person.

Not long after he said that, however, an investigation by Chess.com found that Niemann had likely received illegal assistance in over 100 games on its platform, The Wall Street Journal first reported. The company's probe said that he was subsequently banned from the site after he privately confessed to the allegations at the time. Lawyers for the defendants have moved to have Niemann's lawsuit dismissed and called it baseless.

Now Niemann's lawsuit has produced a surprise twist. One way that he claims powerful forces in the chess world colluded to ruin his career was through a meme involving Thanos—a villain from the "Avengers" franchise—that was included in a now-deleted tweet by Play Magnus, a company co-founded by Carlsen that has since acquired by Chess.com.

The tweet, which doesn't name Niemann or accuse him of cheating, said: "Let's trip down the memory lane and relive the most outrageous cheating scandals in chess!" It included a link to a post on playmagnus.com, along with the meme of Thanos, a purple-headed bad guy.

The meme adapts a scene from "Avengers: Infinity War" in which Thanos accomplishes his goal of eradicating half of the world's population. But in order to acquire that immense power, he had to sacrifice something he loved: a daughter named Gamora.

In the movie scene, the ghost of Gamora's soul asks Thanos at what cost his power had come, to which Thanos solemnly replies "everything," alluding to her death. The scene has become a popular reference in pop culture on social media, and Play Magnus adapted it at the height of the cheating scandal:

Gamora: "How did you beat Magnus Carlsen?"

Thanos: "Chess speaks for itself."

Gamora: "What did it cost you?"

Thanos: "Everything."

The line "Chess speaks for itself" could be interpreted as a reference to Niemann's quip after beating Carlsen in a game last year.

In an April filing, as part of Play Magnus's move to dismiss the case, lawyers for the defendants broke down the meme in granular detail and argued that the "meme-based defamation claim" was without merit.

"This scene is about sacrifice, not lying or cheating," the filing says. "Niemann's claim rests on a blatant distortion of the meme itself."

A response this month by Niemann's lawyers disputes this, dubbing it a cryptic attempt by people associated with Carlsen to accuse him of cheating.

Thanos, the villain who first debuted in Marvel comic books in 1973, couldn't be reached for comment.

OPINION

AI's Education Revolution

INSIDE VIEW
By Andy Kessler

The Journal's headlines tell the story: "Eighth-Graders' History, Civics Test Scores Hit Record Low." "Fourth-Grade Test Scores Plummet." "ACT Test Scores Drop to Lowest Levels in More Than 30 Years." Plus, 67% of fourth-graders nationwide score below "proficient" on reading tests. Disgraceful.

Millions of students use Khan Academy's online videos and problem sets to supplement their schoolwork. Three years ago, Sal Khan and I spoke about developing a tool like the Illustrated Primer from Neal Stephenson's 1995 novel "The Diamond Age: Or, a Young Lady's Illustrated Primer." It's an education tablet, in the author's words, in which "the pictures moved, and you could ask them questions and get answers." Adaptive, intuitive, personalized, self-paced—nothing like today's education. But it's science-fiction.

Last week I spoke with Mr. Khan, who told me, "Now I think a Primer is within reach within five years. In some ways, we've even surpassed some of the elements of the Primer, using characters like George Washington to teach lessons." What changed? Simple—generative artificial intelligence. Khan Academy has been working with OpenAI's ChatGPT since before its release last December.

In the novel, the main character Nell asks about ravens, and "the picture zoomed in on the black dot, and it turned out to be a bird. Big letters appeared beneath. 'R A V E N,' the book said. 'Raven. Now, say it with me.' 'Raven.' "

Later, she asks, "What's an adventure?" and "both pages filled with moving pictures of glorious things: girls in armor fighting dragons with swords, and girls riding white unicorns through the forest, and girls swinging from vines, swimming in the blue ocean, piloting rocket ships through space. . . . After awhile all of the girls began to look like older versions of herself."

Even later, a smarter, industrious Nell "tried to think about the machine that she was designing in her head, with the help of the Primer, about how the gears meshed and the bearings spun, how the rod logic was programmed and where the energy was stored." A super tutor.

Mr. Khan's stated goals for Khan Academy are "personalization and mastery." He notes that "high-performing, wealthier households have resources—time, know-how and money—to provide their children one-on-one tutoring to learn subjects and then use schools to prove what they know." With his company's new AI-infused tool, Khanmigo—sounds like *con migo* or "with me"—one-on-one teaching can scale to the masses.

Khanmigo allows students to make queries in the middle of lessons or videos and understands the context of what they're watching. You can ask, "What is the significance of the green light in 'The Great Gatsby?' " Heck, that one is still over my head. Same with help on factoring polynomials, including recognizing which step a student got wrong, not just knowing the answer is wrong, fixing ChatGPT's math problem. Sci-fi becomes reality: a scalable super tutor.

Khan Academy is using ChatGPT to bring one-on-one teaching to scale.

Mr. Khan suggests, "There is no limit to learning. If you ask, 'Why is the sky blue?' you'll get a short answer and then maybe, 'But let's get back to the mitochondria lesson.' " Mr. Khan thinks "average students can become exceptional students."

Teaching will be transformed. Mr. Khan wants Khanmigo "to provide teachers in the U.S. and around the world an indispensable tool to make their lives better" by administering lessons and increasing communications between teachers and students. I would question any school that doesn't encourage its use.

Mr. Khan tells me, "We want to raise the ceiling, but also the floor." He wants to provide his company's AI-learning technology to "villages and other places with little or no teachers or tools. We can give everyone a tutor, everyone a writing coach." That's when education and society will really change.

Back to "The Diamond Age." When an older Nell interviews to join an advanced school, she asks of a Raphael painting, "Which one is Aglaia? . . . As the name of your school is the Three Graces, I have ventured to assume that yonder painting depicts the same subject, since they look more like Graces than Furies or Fates . . . Which of the ladies represents Aglaia, or brilliance?" Can your child do this? That's the goal.

Khanmigo saw a limited rollout on March 15, with a few thousand students paying a $20-a-month donation. Plugging into ChatGPT isn't cheap. A wider rollout is planned for June 15, perhaps under $10 a month, less for those in need. The world has cheap tablets, so it shouldn't be hard to add an Alexa-like voice and real-time videogame-like animations. Then the Diamond Age will be upon us.

With this technology, arguments about classroom size and school choice will eventually fade away. Providing low-cost 21st-century Illustrated Primers to every student around the world will then become a moral obligation. If school boards and teachers unions in the U.S. don't get in the way, maybe we'll begin to see better headlines.

Write to kessler@wsj.com.

A U.S. Ally in Ecuador Resists a Caudillo

AMERICAS
By Mary Anastasia O'Grady

Ecuador's President Guillermo Lasso is one of only three center-right presidents in South America. But that's one too many for former Ecuadoran strongman Rafael Correa, a leftist who has been using the political coalition he leads—Union for Hope, or UNES—to try to unseat the democratically elected Mr. Lasso.

On Wednesday Mr. Lasso fought back by using Article 148 of the 2008 constitution—drafted by Mr. Correa's backers—to close the National Assembly. This triggers new general elections, which have been set for Aug. 20. If a runoff for president is required, it may take some six months before a new government is sworn in. Until then Mr. Lasso can lawfully rule by decree on economic matters with the Constitutional Court acting as a check on policies it deems too extreme.

On Friday, Mr. Lasso, who is a friend of the U.S., announced that he won't stand for reelection after serving only two years of his four-year term. His abbreviated tenure is a painful reminder of how hard it is for countries to break out of the cycle of demagogic, anti-American populism that Mr. Correa represents.

The brash Mr. Correa ruled Ecuador as an autocrat from 2007-17. He threatened critics in the media with lawsuits (including this newspaper) and prison and flouted due process. He bad-mouthed dollarization, which had put an end to repeated bouts of high inflation. In 2011 he expelled the U.S. ambassador. Mr. Correa now lives in Belgium, but in 2020 he was sentenced to eight years in prison after he was convicted by an Ecuadoran court, in absentia, for bribery. If he hopes to return to Ecuador, where he is still popular, he needs a presidential pardon.

Mr. Lasso isn't the one to ask. He was elected in April 2021 on a promise of greater economic freedom, leading to faster growth. But his side of the aisle is also striving to strengthen the rule of law.

This is the second effort in less than a year to remove Mr. Lasso from office. When bringing rent-a-mobs to the streets didn't work, his opponents dredged up allegations of corruption.

If the president broke the law, the attorney general could press criminal charges. But there's no case against Mr. Lasso. So instead a coalition of opposition parties in the National Assembly asked the Constitutional Court for permission to hold a political trial and impeachment vote. The court allowed it, not on the grounds that Mr. Lasso had enriched himself, but in response to the coalition's allegation, made without evidence, that he let stand a state contract benefitting a third party.

Mr. Lasso went to the floor of the Assembly on Tuesday to argue that he is a victim of a political hit job. But when it looked like he didn't have the blocking minority of more than one-third of the votes to save himself, he opted to use Article 148. It says that if, in the president's "judgment," there is a "serious political crisis and internal commotion" he may send the legislators home.

On Twitter Mr. Correa said that the move was "illegal" while the opposition howled that it was a "coup." But it's the opposite: The president has legally preserved the democratic process and respect for the constitution.

President Lasso acted constitutionally to close the legislature and set an election.

Mr. Lasso's team inherited a heavy debt burden, thanks to Mr. Correa, but has tackled the problem impressively. The Finance Ministry forecasts a deficit of 2.7% for this year, down from 7.7% in 2020. The ratio of debt to gross domestic product ratio is 55%, a reduction of 6 percentage points thanks to renegotiations with China. Lower debt-service costs and maturity restructuring have improved annual cash flow by $1.4 billion and freed up more oil output to be sold at market prices, Finance Minister Pablo Arosemena told me last week. Earlier this month Ecuador pulled off the largest-ever "debt for conservation" swap, in which the country agreed to protect the Galapagos Islands in exchange for debt reduction.

There is no U.S.-Ecuador free-trade agreement, but the Lasso government has negotiated the opening of new markets in China for Ecuadoran exports and is close to a deal with South Korea. Mercantilism remains a dominant feature in Quito's trade deals, but increasing international commerce and commitments to open domestic markets gradually are net benefits.

Mr. Lasso's successful Covid-19 vaccination program made him hugely popular, but his approval has since plummeted. Add to this rising drug-cartel violence and a mediocre economy and his Creo party's yet-unnamed candidate could face rough sledding. Mr. Arosemena pledged last week to use the government's temporary economic powers to enact changes that it hasn't been able to get through the Assembly this year. That could boost Creo's chances in the election. On Wednesday he declared targeted tax relief for the middle class and entrepreneurs. On Monday the government is slated to announce the creation of virtual free-trade zones to spur economic activity.

The biggest test for Ecuador may not come down to who wins the next election but whether the nation's institutions can withstand a power-hungry caudillo—in or out of the country.

Write to O'Grady@wsj.com.

Put Ukraine on the U.N. Security Council

By Bernard-Henri Lévy

In Vladimir Putin's war against Ukraine, one of his weapons is Russia's status as a permanent member of the United Nations Security Council, which entails the power to block any resolution. It's a legacy of World War II and the decision to reserve this status to the five victors, including the Soviet Union.

But the Soviet Union no longer exists. Russia's membership is owing to another, far more obscure event, a meeting on Dec. 21, 1991. The U.S.S.R. was about to be officially dissolved. Leaders from 11 of the 15 newly independent states—all but Georgia and the Baltics—gathered in Alma-Ata, Kazakhstan (now Almaty).

The result, after a few hours of debate: a letter from Russian President Boris Yeltsin to the U.N. secretary-general informing him of the establishment of the Commonwealth of Independent States and the agreement that Russia would succeed the Soviet Union at the Security Council.

The recipient might have observed that nothing in the U.N. Charter allows a group of states to dispose of the seat of a permanent member. He might have objected to the notion of a "successor state," which appears in no law or official text. He might have noted that nine of the 11 states that made this decision weren't U.N. members at the time. (Ukraine and what is now known as Belarus were founding members, giving the Soviets three seats for the price of one.) Given the novelty of the situation and the importance of the Security Council, the secretary-general should at least have demanded a formal debate in the General Assembly. Instead, Yeltsin's notification was ratified without discussion. Many U.N. member countries heard about it on the news.

Russia's membership has no legal basis and should be transferred.

Russia's permanent membership and the veto power it confers have no legal basis. The Russian Federation has terrorized the world for decades under a false pretense. Which brings me to an idea: Ask the U.N. to reopen the dossier and to re-examine the original power grab that laid the foundation for our current disorder. Consider how, from Bucha to Mariupol and through to the deportation of thousands of children out of Donbas, Russia has flouted the foundational principles of the U.N. And revoke the authority that Yeltsin and Mr. Putin snatched.

What then would become of the 1945 pact and the heritage of the "Great Patriotic War"?

The Red Army's First Ukrainian Front did more than its share in World War II—among other things, liberating the Auschwitz death camp. And if there's a former Soviet country that stands for anti-Nazism today, it's Volodymyr Zelensky's Ukraine.

Ukraine can and should inherit the rights of a fallen Russia. Remove the Russian Federation from its seat as a permanent member and transfer it to Ukraine. Memory permits it, morality wishes it, and an open debate among united and sovereign nations could decide it.

Mr. Lévy is author of "The Will to See: Dispatches From a World of Misery and Hope" and author and director of the documentary "Slava Ukraini." This article was translated from French by Matthew Fishbane.

BOOKSHELF | By Matthew Hennessey

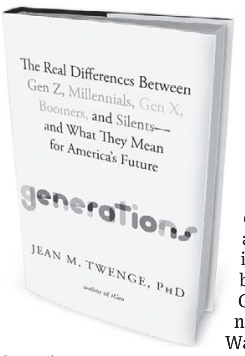
Growing Up Is Hard to Do

Generations

By Jean M. Twenge
(Atria, 554 pages, $32.50)

'Every generation blames the one before," sang Mike + the Mechanics in their chart-topping 1988 song "The Living Years." There's a certain truth to that. It's also true that every generation can't help blaming the one that comes after. They're lazy. They don't know how to dress. They speak in strange slang. They've never heard of groups like Mike + the Mechanics.

In America, the generations seem to be engaged in a low-intensity forever war: Baby Boomers vs. the Silent Generation, Gen X vs. Gen Z, Millennials vs. Everybody. Jean Twenge, a psychology professor at San Diego State University, wants to broker a truce. She has made it her mission to spread peace and understanding among cohorts she likens to "squabbling siblings." In books like "iGen" (2017) and "Generation Me" (2006), she has tracked the development of generational gaps and tried her best to bridge them. "The more we understand the perspective of different generations," she writes, "the easier it is to see we're all in this together."



Are we though? An old theory has it that each generation adopts its group characteristics by way of the shared experience of "major events at impressionable ages," as Ms. Twenge puts it in "Generations," her latest book. The privation of the Great Depression and the national sacrifice of World War II instilled in the Silents, born in 1925-45, an urge to live stable, frugal lives. The idealism of the Baby Boomers (1946-64) was the product of the 1960s youth culture and the era-defining achievements of the civil-rights movement. The end of the Cold War gave Gen X (1965-79) its insouciant self-confidence. The 9/11 attacks and the financial collapse of 2007-09 shaped the fatalism common to Millennials (1980-94). The personality of Gen Z (1995-2012) isn't fully developed yet, but the pandemic and digital media loom over everything they do.

Ms. Twenge doesn't buy this theory. "History is not just a series of events," she writes. "It's also the ebb and flow of a culture and all that entails: technology, attitudes, beliefs, behavioral norms, diversity, prejudice, time use, education, family size, divorce." She has her own theory: Technological change is the main driver of generational differences. Unlike wars, pandemics and economic cycles, she notes, "technological change is linear." It moves toward ever more sophistication and convenience. It has the power to change things completely, making our lives "strikingly different from the lives of those in decades past."

By "technology" she doesn't just mean microchips and satellites. She means everything from air-conditioning to sanitation to birth control to architecture. The progressive development of technology shapes us, she writes, primarily by nudging us toward a greater degree of self-reliance—Ms. Twenge calls it "individualism"—and a "slower life trajectory." Every generation has had the privilege of living "longer lives with less drudgery" than the lives of their parents and grandparents.

The "slow life" thesis may do more to explain the friction between the generations than anything else. Baby Boomers and Gen X'ers have a hard time understanding why Millennials and Gen Z'ers have so enthusiastically refused to grow up. Ms. Twenge's explanation is that technology has arranged it so that they don't have to. Young people can put off education, career, marriage and child-rearing in ways their parents and grandparents couldn't. Labor-saving devices and longer life spans have given Millennials and Gen Z'ers the "priceless gift of time." Why so many of them choose to use it watching cat videos and filming themselves dancing is one of life's great riddles.

Labor-saving devices and longer life spans have given Millennials and Gen Z'ers the gift of time. They 'adult' much later than their parents did.

"Generations" is a nonpolemical, data-rich book filled with fascinating observations about who we are and how we got that way. There are also some head-scratchers: Americans born in the 1930s have better mental health and lower suicide rates than those born in other decades of the early 20th century. In the average first-grade class in 1952 you'd find at least one boy named Jimmy. Nearly a quarter of Gen Z women identify as bisexual.

Particularly refreshing is Ms. Twenge's dismantling of Millennials' frequent claim that they are doing worse than every other generation at similar stages of life. The argument that 30-something Millennials have been "screwed economically" is "treated as close to gospel," Ms. Twenge writes, but it's mostly based on "outdated statistics, often from the early 2010s, when the economy was still recovering from the Great Recession." Ms. Twenge has new numbers, and they show the opposite of the grim picture typically painted by mopey Millennials. "By 2019, households headed by Millennials actually made *more* money than Silents, Boomers, and Gen X'ers at the same age—and yes, that's after the numbers are adjusted for inflation."

If Millennials think they're poorer than other generations, they have their own indulgence in slow-life habits to blame. Instead of getting jobs and getting married, many Millennials spent their 20s eating avocado toast, meandering through graduate school and working in the gig economy. In the aggregate, such choices have led to a perception of a generational economic rout. This perception is of course fueled by Twitter hyperbole, but social media isn't social science.

Ms. Twenge gives readers license to flip ahead to the chapters on their own generations first. I did this and can confirm that the author, although a distinguished academic, is no Ivory Tower elitist. She has a humanist's feel for the limitations of data, which can never tell the whole story. "For Gen X'ers, there was nothing better than waking up on a Saturday morning, pouring a bowl of Cap'n Crunch, and sitting down in front of the Saturday morning cartoons." Kids today couldn't possibly understand.

Mr. Hennessey is deputy editorial features editor at the Journal and author of "Zero Hour for Gen X: How the Last Adult Generation Can Save America From Millennials."

REVIEW & OUTLOOK

What the 14th Amendment Really Says

Biden must pay interest on the debt or violate the U.S. Constitution.

The debt talks are stalled and President Biden is again threatening to invoke the Constitution's 14th Amendment to pay interest on America's debt without Congress raising the debt ceiling. The truth is that the Treasury has more than ample revenue coming in each month to avoid defaulting on the debt, and Mr. Biden doesn't need to distort the meaning of the 14th Amendment to do it.

"I'm looking at the 14th Amendment, as to whether or not we have the authority. I think we have the authority," Mr. Biden said at a press conference ending the G-7 meeting in Japan. "The question is: Could it be done and invoked in time that it could not—would not be appealed and, as a consequence, pass the date in question and still default on the debt. That's a question that I think is unresolved."

He's confusing the public, and he may be confused himself, about what the 14th Amendment really says and how it affects the debt ceiling. Section 4 of the Amendment says that the "validity of the public debt of the United States, authorized by law . . . shall not be questioned."

This means the Treasury cannot repudiate debt held by the public as issued in Treasury bonds and notes. In practical terms this means Treasury Secretary Janet Yellen must prioritize debt repayment once statutory federal outlays exceed federal revenue. In other words, she and Mr. Biden can't willfully default even for a time without violating the 14th Amendment.

As David Rivkin and Lee Casey have written on these pages, the Supreme Court held in *Perry v. U.S.* (1935) that the 14th Amendment covers all sovereign federal debt. Congress decided during the Great Depression to begin paying federal bonds in currency, including those that promised payment in gold. Bondholders sued to receive payment in currency equal to the gold value of the notes, and the Justices agreed, saying that Congress had violated the 14th Amendment's Public Debt Clause.

What the 14th Amendment doesn't allow is the claim by many progressives that the President can issue new debt without the consent of Congress. Merely because Congress has approved new spending doesn't mean the President can issue new debt on his own authority to finance it. He can't issue new debt on his own to finance Medicare, for example.

As Article I of the Constitution makes clear, that power belongs to Congress. Nor can the President issue new spending or forgive federal loans without Congress's statutory approval. That's what the challenge at the Supreme Court to Mr. Biden's unilateral forgiveness of federal student loans is all about.

* * *

All of which means that the melodrama over U.S. default is overwrought. That's because even if federal spending begins to exceed federal tax revenue sometime in June, as Secretary Yellen says it will, Treasury can prioritize paying interest on Treasury bonds or retiring debt principal when it comes due.

Treasury has more than enough cash to do this. Federal tax receipts in March were $313 billion and interest payments were $67 billion, according to Treasury's monthly report on revenue and outlays. In April receipts were $639 billion and interest was $62 billion. It would be the height of fiscal irresponsibility if Treasury failed to use that cash to meet U.S. contractual debt obligations. Mr. Biden and Ms. Yellen would also be violating the law.

It's true that prioritizing debt repayment could mean closing down parts of the U.S. government for a time, or delaying payments under federal programs. But there have been partial government shutdowns during previous budget disputes between Congress and the President, and the world hasn't ended.

The larger point is that there is no reason for the U.S. to default on its debt held by the public. None. Mr. Biden and Speaker Kevin McCarthy should still negotiate a deal to raise the debt ceiling and slow future spending growth. This would minimize potential financial market disruptions owing to political uncertainty. The credit-rating agencies might also overreact and needlessly downgrade U.S. debt. But letting Treasury default would be a self-destructive act that would violate the 14th Amendment.

Escape From New York, Etc.

Big progressive cities suffer another year of declining population.

Population loss from big cities slowed last year, the Census Bureau reported last week. Was it trying to bury the lead? The bigger news is how Covid lockdowns, crime and the rising cost of living are causing an exodus from big progressive cities.

According to the latest Census data, New York City lost 468,297 people between April 2020 and July 2022, about 5.3% of its population. That's more people than live in the city of Miami (449,514). Other big losers include Chicago (81,313), Los Angeles (76,529) and San Francisco (65,522). San Francisco lost a larger share of its population (7.5%) than any other major city.

Population decline in these cities slowed but notably didn't reverse in 2022 after lockdowns were lifted. City leaders blame remote work, but can you blame workers for not returning to offices when they face high taxes, high housing costs and declining public order? Chicago logged 41% more crimes last year than in 2021, and crime is up 43% so this year.

CME Group CEO Terry Duffy recently revealed that his wife was the victim of a carjacking in broad daylight in Chicago. Citadel CEO Ken Griffin last year cited Chicago's crime surge as the reason he moved his hedge fund to Miami, after first considering New York City. One colleague had been punched by "some random lunatic" in the head, he noted. Another had been robbed at gunpoint.

You can dismiss these as anecdotes, but no one wants to become one of them. "We have violent crime that's happening in our restaurants," McDonald's CEO Chris Kempczinski told the Economic Club of Chicago last year. "We're seeing homelessness issues in our restaurants. We're having drug overdoses that are happening in our restaurants."

It's not much different in San Francisco, where a giant Whole Foods in downtown closed last month. Tech workers complain about maneuvering around human feces, needles and the homeless. Public safety has improved in New York City under Mayor Eric Adams, but there are still far too many random assaults by the mentally ill, often hopped up on drugs.

Democrats who run America's big cities have long taken for granted that businesses and workers would be attracted to their cities' energy and culture. The pandemic and its aftermath have changed that calculus, but progressives haven't changed their policies.

The Target of Runaway Theft

The CEO says thievery will cost the giant retailer $500 million.

America's turn toward lawlessness is nowhere more evident than at retail stores, where these days even toothpaste is often under lock and key. Now Brian Cornell, the CEO of Target Corp., has put a number on the cost of "inventory shrinkage," which is mostly theft: $500 million in lower profits this year.

"The unfortunate fact is violent incidents are increasing at our stores and across the entire retail industry. And when products are stolen, simply put, they are no longer available for guests who depend on them," Mr. Cornell told reporters on an earnings call last week. "Beyond safety concerns, worsening shrink rates are putting significant pressure on our financial results."

Like other retailers, Target has been closing stories in high-crime areas to reduce losses. The problem is that law-abiding residents of these areas need places to shop. When stores leave, the result is often a so-called commercial desert. Progressives who run these cities blame the companies, but any CEO has to reduce losses that cost shareholders half a billion dollars a year. The first duty of government is to provide for public safety.

Readers of a certain age probably think of retail theft as individual acts of shoplifting. But today a growing threat is from organized retail crime. Gangs plan their raids on retail stores, warehouses and trucks or rail hubs. The goal isn't personal consumption.

It's to resell the stolen goods at a profit, often over the internet. The gangs have extensive networks of thieves and fences. When the crews hit a store, the employees are overwhelmed and have no chance to stop the theft except at great personal risk. Short-handed police show up too late, if they do at all.

The National Retail Federation released a detailed report in April that describes the methods and motives of organized retail theft. "Demand for ORC [organized retail crime] goods may also be sustained by a segment of youth who champion an emergent booster subculture that espouses a vague anticapitalist ideology," the report by the security firm K2 Integrity says.

"Videos tagged with terms related to shoplifting have accumulated millions of views on social media platforms such as TikTok, and broader social acceptance of retail theft or indifference about purchasing stolen goods suggests ORC perpetrators could face relatively less public shame than other criminals if ORC practices gain greater cultural resonance," the report adds.

This reveals a powerful culture of impunity that drives the market for retail theft. It's part of the political movement that has defined criminal behavior down so that it becomes more acceptable. In California, shoplifting is a misdemeanor unless the stolen goods are valued at more than $950. And even then it is rarely prosecuted or punished.

The costs of this runaway theft include higher prices for consumers. But worse is a widening culture of disorder and disdain for the law and the rules of a civilized society. All of this will get worse until voters stop tolerating the politicians who indulge criminals.

LETTERS TO THE EDITOR

Durham Report Does Not Solve the Problem

Reading your editorial "Why the Durham Report Matters" (May 17), I get a terrible, sinking feeling in my stomach that the people responsible would choose to do it all over again. After all, are we not witnessing similar shoddy behavior by a hyperpartisan district attorney in New York who has chosen to indict a former president on a case of dubious legal standing and the flimsiest of merit?

BRUCE LUDWIG
Kirkland, Wash.

It is disheartening to be counseled that the only remedy for government malfeasance in the Russia hoax is to wait until a new crop of civic-minded and justice-is-blind leaders is in charge of our security bureaucracies. Would that be the rising generation marinated in righteous leftist ideology from kindergarten on?

JERRY KAYE
Corrales, N.M.

The Trump-Russia collusion hoax wasn't only a travesty. It was a Watergate-size crime cooked up by Hillary Clinton's team to torpedo her opponent. Mrs. Clinton had plenty of help from the Obama administration, the FBI and the liberal press.

It happened again in 2020 when the Biden team instigated the letter from 51 intelligence officials damning the Hunter Biden laptop story. Again, it was Democrats, the intelligence community and the press conspiring to torpedo Donald Trump, then the sitting president as well as candidate. These crimes should be thoroughly condemned by history, as Richard Nixon's were. But that usually happens only if the first draft of history—written by the news media—condemns them first.

MARK GODBURN
Norfolk, Conn.

It seems strange to complain about the FBI being unfair to Mr. Trump. Without the letter by then-FBI Director James Comey to Congress announcing a reopening of the probe into the Clinton emails (days from the election, in violation of long-standing protocol), Mr. Trump likely would have lost in 2016.

PROF. MARSHALL FISHER
Wharton, University of Pennsylvania
Philadelphia

The first rule about the Clinton plan is: You don't talk about the Clinton plan. And so it was with Hunter Biden's laptop: There is no laptop.

Your editorial opens with: "Two special counsels, several inspector general reports and six years later, the country finally has a more complete account of the FBI's Russia collusion probe." It is more complete but no more effectual than Mr. Trump's cogent analysis of that probe at the time: a witch hunt.

GREGORY MARSHALL
Marietta, Ga.

The Path Back to Civics Education in America

In an interview with Tunku Varadarajan last year, I warned how the civics crisis in our educational system will ultimately weaken our republic ("Weekend Interview With Douglas Ginsburg," May 21, 2022). One didn't need a crystal ball to make that prediction. I just read the recent "nation's report card" ("Miguel Cardona, Miseducation Secretary," Review & Outlook, May 6).

Only 13% of eighth-grade students scored at or above the proficient level in civics, continuing a downward trend for civics knowledge among students since 2014. When nearly seven in eight students lack a fundamental understanding of why our government was designed as it is, no one should be surprised with the lack of civil discourse today. Voters are unaware of their rights—or even how to define rights—and high-school graduates can't even name the two branches of the Congress, much less explain why there are two.

We can't sustain a constitutional republic with a citizenry that is estranged from our Constitution and institutions—and we don't have to. Nearly everything a student or teacher would need to know about the basic setup and functions of our government is available at no cost. The National Constitution Center's interactive Constitution, the National Archives website, CivicsFundamentals.org and many others offer excellent, nonpartisan, online tools to learn about our government, history and rights. With all the free resources available, there is no excuse for America's low civics scores.

JUDGE DOUGLAS H. GINSBURG
U.S. Circuit Court of Appeals for the District of Columbia

What Do You Want From Investment Advisers?

Your editorial surely is correct that investment advisers should act to safely maximize returns rather than on the basis of environmental, social and governance principles ("The ESG Proxy Vote Ranking," May 16). But you go astray by presenting the two always as mutually exclusive. With the Biden administration's war on fossil fuels, a wise adviser might well urge support for a shareholder proposal requiring a company to set emissions-reduction targets. Such an adviser doesn't violate his fiduciary duty by keeping a finger to these political winds and, to the contrary, it may be imprudent to ignore them.

KENNETH A. MARGOLIS
Chappaqua, N.Y.

Here I thought I was a shrewd investor putting my money in low-fee ETFs. The Committee to Unleash Prosperity has done a great service in compiling its rankings. A third of my portfolio is in funds from Invesco, State Street and Schwab, which the committee finds politicized. Include BlackRock, and it's well over half. Vanguard and other A-rated fiduciary stewards, here we come.

DAVID RINALDO
Arlington, Va.

Is Gen Z on to Something With 'Funemployment'?

Like Suzy Welch, I had never heard of "funemployment" ("For Gen Z, Unemployment Can Be a Blast," op-ed, May 18). I confess to this ignorance despite having practiced employment law since 1985. The Gen Z attitude, however, should come as no surprise. After all, our government paid people billions not to work beginning in 2020, and we read that Democrats strongly oppose any requirement that able-bodied recipients of government transfer payments do any work at all. Even hardened baby boomers should be able to understand how getting paid without having to work could be fun.

MICHAEL LEB
Pasadena, Calif.

Ms. Welch's op-ed on funemployment was an epiphany for me. I have been struggling with feelings of uselessness in retirement. My usual self-reproach has been that my "new job" is golf, and that I am not very good at it. I think I feel better now. Almost like a Gen-Zer.

FRED KAPPUS
Cleveland

Pitted Against Each Other

Jason Riley underlines an excellent historical point in "No, Immigrants Aren't Stealing Jobs From Black Americans" (Upward Mobility, May 17). Although I would imagine their politics are much different, Mr. Riley has an unlikely source of support in W.E.B. Du Bois. In Du Bois's well-read work "Black Reconstruction in America" (1935), he bemoaned the destructive post-Civil War practice of dividing the black and white labor force into "castes." Although I believe that immigration should be regulated by law, Du Bois's words on the morality of free labor without protectionism are worth noting: "Yet the rich world is wide enough for all, wants all, needs all."

RONALD R. SHAW JR.
Eads, Tenn.

Maybe They Got the Message

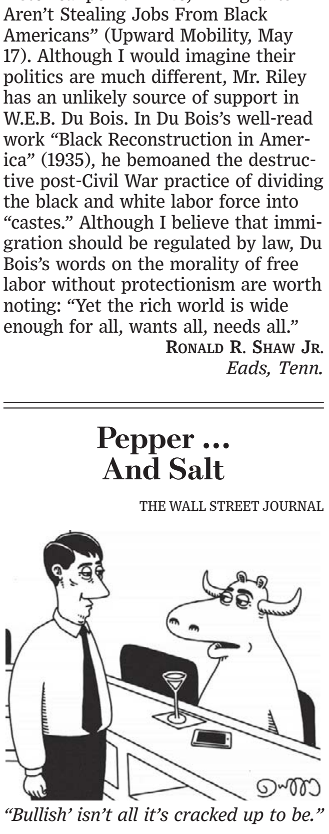
Perhaps the expected migrant surge didn't occur because they were all given a leaked draft of President Biden's Howard University speech ("Biden's Bleak Story About Race in America Is False" by Gerard Baker, Free Expression, May 16). My mother always told me to try to find the good in everything.

MALCOLM SHANNON
Methuen, Mass.

Letters intended for publication should be emailed to wsj.ltrs@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

Pepper ... And Salt

THE WALL STREET JOURNAL



"'Bullish' isn't all it's cracked up to be."

The Real Stakes of the Debt-Ceiling Fight

By Phil Gramm
And Mike Solon

House Speaker Kevin McCarthy last month mustered the votes for a bill to raise the debt ceiling, thanks in no part to his Democratic colleagues. His victory shifted the topography of the debt-ceiling battlefield and passed pressure onto the Senate and the White House. So far their response has consisted mostly of hot air. President Biden has called the House GOP's bill "wacko" and Senate Majority Leader Chuck Schumer has said that its adoption would mean "real pain for American families."

Unrestrained spending would crowd out private economic activity and risk triggering a recession.

Messrs. Biden and Schumer evidently think the bill's policy and spending reforms—i.e., tying welfare payments to work and capping annual growth in discretionary spending—are unreasonable. Yet the reasonableness of the House debt-ceiling provisions can be judged only by comparing them with how much of the federal government's gusher of pandemic spending would otherwise become a permanent part of the post-pandemic budget.

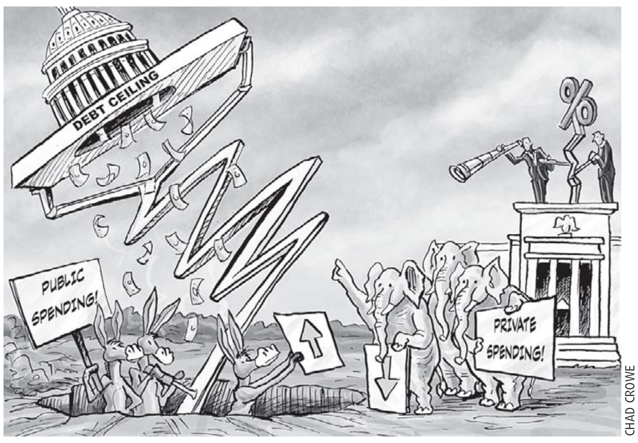
The Federal Reserve has committed to continue tightening credit until higher interest rates constrain private spending enough to eliminate excess demand and bring inflation under control. Therefore, every dollar of the post-pandemic spending surge that the House debt-ceiling bill prevents from being spent is a dollar the Fed doesn't need to crowd out of private spending to tamp down inflation.

While Democrats are preoccupied with who will lose the benefits of higher spending, the real debate requires looking at the private spending the Fed will have to crowd out with higher rates if federal spending isn't constrained. The clean debt-ceiling increase the White House is pitching would give us more federal spending, tighter Fed policy and higher interest rates—all of which would crowd out private investment, sacrifice private jobs, and increase the risk of a recession.

Of the $5 trillion of stimulus payments between 2020 and 2022, some $362 billion has yet to be spent. The House debt-limit bill proposes to claw back $30 billion—or some 8% of the unspent balance. Only in Mr. Biden's White House and Mr. Schumer's Senate Democratic Caucus could such a modest proposal be considered extreme.

Before the pandemic, the Congressional Budget Office in January 2020 projected that total discretionary outlays in fiscal 2024 would grow to $1.549 trillion—which, adjusted for higher inflation, amounted to $1.694 trillion. The most recent CBO estimate projects that fiscal 2024 discretionary spending will clock in at $1.864 trillion—a 10% real increase from the pre-pandemic estimate. Nondefense outlays have risen 18.8% over the same period, while defense outlays have fallen 0.28% in after-inflation dollars.

This growth in nondefense discretionary spending is the post-pandemic bow wave that Mr. McCarthy's debt-limit plan seeks to mitigate. Even if the House GOP's proposed reductions in discretionary-spending growth took effect, total discretionary spending would still be 2.4% more in inflation-adjusted dollars than the CBO's 2020 projection for fiscal 2024. Given that the alternative to spending restraint is the Federal Reserve's hiking rates to crowd out private investment and risking recession, it's the Democrats who increasingly seem unreasonable.



CHAD CROWE

Moreover, while the House debt-ceiling bill proposes spending constraints over the next decade, the current Congress can't bind a future Congress's actions on discretionary spending. The proposals therefore are guidelines, not mandates: The House bill would constrain spending for 2024, but outlays thereafter will be set by the next Congress and the president after the elections.

The House GOP's bill would also restore and expand the work requirements for welfare that Congress enacted and Bill Clinton signed in 1996. Since 1967, average inflation-adjusted transfer payments to low-income households—the bottom 20%—have grown from $9,677 to $45,389. During that same period, the percentage of prime working-age adults in the bottom 20% of income earners who actually worked collapsed from 68% to 36%.

While the 1996 welfare-reform law was a resounding success, generating a surge in employment and a decline in welfare rolls, much of its effectiveness was offset by work-requirement waivers granted during the Obama administration and the pandemic. The effect of welfare reform was further limited by the explosion of other welfare benefits—such as food stamps and refundable tax credits. The work requirement applied only to the Temporary Assistance for Needy Families program.

The House debt-ceiling bill would restore the Clinton-era work requirements for TANF and apply them to the federal food-stamp and Medicaid programs. Massachusetts Sen. Elizabeth Warren said she believes work requirements are "despicable." But given that then-Sen. Biden voted for the Clinton welfare-reform bill and that the public overwhelmingly supports such requirements today—one recent survey found that three-fourths of voters support them for able-bodied adults—it's going to be difficult to get the public to believe that work for welfare is diabolical.

The explosion of spending during the pandemic sent the inflation rate to a 40-year high and slashed the real wages of American workers. Now, Congress's failure to rein in post-pandemic spending is denying the Fed a legislative partner in restraining inflation and forcing the central bank to tighten credit, choke off private-sector spending and heighten the risk of a recession. Is America really better off having the Fed stymie private spending instead of Congress clawing back unspent pandemic balances and constraining the magnitude of the post-pandemic spending surge?

In reality, this isn't a debate about spending but about who is going to do the spending. A clean debt-ceiling hike would give us more government spending, and the House GOP's proposal would allow more private spending. Only in Washington is that a hard choice.

Mr. Gramm, a former chairman of the Senate Banking Committee, is a visiting scholar at the American Enterprise Institute. Mr. Solon is an adviser to US Policy Metrics.

Deep Sleep May Be the Best Defense Against Alzheimer's

LIFE SCIENCE
By Allysia Finley

Shakespeare described sleep as "the main course in life's feast, and the most nourishing." New research suggests it may also be a key nutrient in warding off Alzheimer's disease.

Poor sleep has long been linked to Alzheimer's, but the relationship is akin to the chicken-and-egg conundrum. It isn't clear which came first. During deep sleep, the brain produces slow electrical waves and flushes out neurotoxins including amyloid and tau, two hallmarks of the disease.

Studies have shown that even one night of lousy deep sleep can lead to an increase of amyloid. A week of disrupted sleep can raise the amount of tau, which is especially insidious because over time it can strangle neurons from the inside out.

Those with Alzheimer's experience sleep disturbances years before they develop cognitive symptoms, but the pathology that underlies the disease can itself disrupt sleep. Poor sleep, then, may increase the risk of Alzheimer's and be an early symptom of it. It's also possible that those who are at higher genetic risk for the disease are more prone to sleep disturbances.

That said, most people who toss and turn at night don't develop Alzheimer's. There are other genetic and lifestyle contributors, and sleep is one that can be modified. Hence scientists are giving it a closer look.

A new study in the Annals of Neurology found that a sleep aid called suvorexant could reduce amyloid and tau in middle-aged adults with no cognitive problems. The two-night trial showed that amyloid in cerebrospinal fluid dropped 10% to 20%, and a key form of tau 10% to 15% in people who received a high dose compared to a placebo group.

These effects need to be studied over longer periods of time—including in older adults at higher risk of Alzheimer's—so don't pester your doctor for a sleeping-pill prescription, which can carry adverse side effects. But the study suggests that improving sleep quality among middle-aged adults could help mitigate the risk of developing Alzheimer's later in life.

"If we can lower amyloid every day, we think the accumulation of amyloid plaques in the brain will decrease over time," said Brendan Lucey, the study's senior author. "I'm hopeful that we will eventually develop drugs that take advantage of the link between sleep and Alzheimer's to prevent cognitive decline."

Shakespeare said slumber was 'the main course in life's feast.' Studies suggest is also protects the brain.

What has stumped neurologists, however, is that some people with high levels of amyloid who may appear to have Alzheimer's based on brain scans nonetheless function normally. Two people with the same degree of brain pathology can demonstrate markedly different levels of cognitive ability. Merely having Alzheimer's markers therefore doesn't mean that someone will develop the disease.

Neurologists posit that this is because some people have higher levels of "cognitive reserve," which enables them to function normally despite neurological damage. Physical activity, education and intellectually demanding jobs been found to boost this reserve. These are protective factors that improve the brain's resilience to damage. But there's another X factor, which scientists have struggled to identify. A new study suggests it may be sleep, and in particular deep sleep.

That's the stage when the body repairs bones, muscles and the immune system. It's also when the brain consolidates new memories. If you burn the candle at night, you'll be more susceptible to illness and more likely to forget things you recently learned.

In their study, researchers from the University of California, Berkeley, examine how deep sleep affected memory in cognitively normal seniors. What they found is that more deep sleep significantly improved performance on memory tests in patients with higher levels of amyloid and who were therefore at higher risk for Alzheimer's.

"Think of deep sleep almost like a life raft that keeps memory afloat, rather than memory getting dragged down by the weight of Alzheimer's disease pathology," says Matthew Walker, a neuroscience professor at UC Berkeley.

One implication is that improving deep sleep could help people at highest risk for Alzheimer's retain their mental capacities. Sleeping aids might be one way to do it. Studies have also found that exposure to odors like lavender and auditory stimulation at night can improve deep sleep. Regular, moderate exercise does too.

Alzheimer's is often treated similarly to Parkinson's, which people can do little to prevent. But these sleep studies add to the growing research that even people at significantly higher risk for Alzheimer's aren't destined to develop the disease. Other studies, for instance, have found that small amounts of aerobic exercise can help seniors at high risk stave off decline.

The prospect that Alzheimer's could be mitigated or prevented by what scientists call "modifiable" risk factors, like Type 2 diabetes and hypertension, is tremendously encouraging. It's why you should never feel guilty about feasting on sleep.

Elon Musk Is Right About George Soros—and Not Anti-Semitic

By Alan M. Dershowitz

Elon Musk has been accused of anti-Semitism because of his criticism and mockery of George Soros. Mr. Soros is Jewish; Mr. Musk isn't. But Mr. Musk stands falsely accused. Mr. Soros is an active participant in politics, and his Jewishness shouldn't shield him from criticism.

Further, no single person has done more to damage Israel's standing in the world, especially among so-called progressives, than George Soros. His financial support has multiplied the influence of the two major organizations that have done the most to shift the left-wing paradigm against Israel.

One of them is Human Rights Watch, which was founded by publisher and human-rights advocate Robert Bernstein (1923-2019). For years HRW critiqued the denial of human rights by all countries based on two criteria: the seriousness of the violations in any particular nation, and the inability of the nation's citizens to protest and remedy such violations. But in 1993 Kenneth Roth became executive director and turned HRW into an organization that specialized in demonizing Israel.

By 2009 the Israel bashing had become so severe that Bernstein wrote: "As the founder of Human Rights Watch, its active chairman for 20 years and now founding chairman emeritus, I must do something that I never anticipated: I must publicly join the group's critics. Human Rights Watch had as its original mission to pry open closed societies, advocate basic freedoms and support dissenters. But recently it has been issuing reports on the Israeli-Arab conflict that are helping those who wish to turn Israel into a pariah state."

Mr. Roth has deployed "human rights" as a weapon against Israel. His organization's one-sided reports were used to justify selective condemnation of Israel by the United Nations and its divisions. They were circulated on university campuses around the world. Despite their obvious anti-Israel bias, supporters pointed to Mr. Roth's Jewish heritage to lend credibility to his anti-Israel accusations.

"Here is an organization created by the goodwill of the free world to fight violations of human rights, which has become a tool in the hands of dictatorial regimes to fight against democracies," observed Natan Sharansky, the former Soviet dissident and Israeli Knesset member, in 2009. "It is time to call a spade a spade. The real activity of this organization today is a far cry from what it was set up 30 years ago to do: throw light in dark places where there is really no other way to find out what is happening regarding human rights."

In 2010 Mr. Soros said he planned to give $100 million, "the largest gift by far that Human Rights Watch has ever received," the New York Times reported. The paper quoted Mr. Soros: "Every Wednesday morning at 8 o'clock, a group at Human Rights Watch got together and discussed issues with the managers," he said. "I was an active participant in that group, and human rights remains an important element of my foundation's current activities."

The Hungarian-born billionaire has done more than anyone to turn Americans against Israel.

The other organization is J Street. Despite its claim to be a progressive pro-Israel and pro-Palestinian organization, J Street has done much to turn most progressive and some liberal Democrats—including members of Congress, academics and media figures—against Israel. Last year Haaretz reported that Mr. Soros contributed $1 million to J Street's super PAC, "20 times larger than any previous donation J Street Action Fund received."

I'm not the only Jewish American to criticize Mr. Soros. In a January article for the Jewish News Service, Farley Weiss, a former president of the National Council of Young Israel, wrote: "Soros's defenders try to shut down criticism of the billionaire by claiming it is antisemitic because Soros himself is Jewish. But no one has financed more destructive attacks on Israel and the American Jewish community than Soros."

Mr. Soros also has had a pernicious influence on American domestic issues, such as funding leftist candidates for district attorney, who have politicized law enforcement. Unlike Mr. Musk, I haven't compared Mr. Soros to Magneto, a Marvel supervillain who, like Mr. Soros, survived the Holocaust. I wouldn't make that comparison because I had never heard of Magneto. But I agree with Mr. Musk that Mr. Soros's acts contribute to fraying the "fabric of civilization." And Mr. Musk has shown no hostility toward Israel or the Jewish people.

Some right-wing anti-Semites have focused on Mr. Soros in promoting anti-Semitic conspiracy theories about "the Jews" controlling the world. Critics of Mr. Soros should join supporters in condemning such misuse of his Jewish heritage. But this misuse shouldn't deter legitimate criticism of the malign influence Mr. Soros has on the world—irrespective of his being Jewish.

Mr. Dershowitz is a professor emeritus at Harvard Law School and author of "Get Trump: The Threat to Civil Liberties, Due Process and Our Constitutional Rule of Law."

THE WALL STREET JOURNAL.
PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

Rupert Murdoch
Executive Chairman, News Corp
Emma Tucker
Editor in Chief
Liz Harris, *Managing Editor*
Jason Anders, *Deputy Editor in Chief*
Neal Lipschutz, *Deputy Editor in Chief*
Thorold Barker, *Europe;* Elena Cherney, *News;* Andrew Dowell, *Asia;* Brent Jones, *Culture, Training & Outreach;* Alex Martin, *Print & Writing;* Michael W. Miller, *Features & Weekend;* Emma Moody, *Standards;* Shazna Nessa, *Visuals;* Philana Patterson, *Audio;* Matthew Rose, *Enterprise;* Michael Siconolfi, *Investigations;* Amanda Wills, *Video*
Paul A. Gigot
Editor of the Editorial Page
Gerard Baker, *Editor at Large*
Robert Thomson
Chief Executive Officer, News Corp
Almar Latour
Chief Executive Officer and Publisher
DOW JONES MANAGEMENT:
Daniel Bernard, *Chief Experience Officer;* Mae M. Cheng, *SVP, Barron's Group;* David Cho, *Barron's Editor in Chief;* Jason P. Conti, *General Counsel, Chief Compliance Officer;* Dianne DeSevo, *Chief People Officer;* Frank Filippo, *EVP, Business Information & Services, Operations;* Elizabeth O'Melia, *Chief Financial Officer;* Josh Stinchcomb, *EVP & Chief Revenue Officer, WSJ / Barron's Group;* Sherry Weiss, *Chief Marketing Officer*
EDITORIAL AND CORPORATE HEADQUARTERS:
1211 Avenue of the Americas
New York, N.Y., 10036
Telephone 1-800-DOWJONES
DOW JONES | News Corp

Notable & Quotable: Money

From a house ad that appears on the website of the New Republic:

YOU ARE RIGHT!

We recently surveyed our readers, and you told us the number one issue you are most worried about right now is . . . the Supreme Court. And it's no wonder! The shocking revelations about the conflicts of interest surrounding Justice Clarence Thomas and his wife, right-wing activist Ginni Thomas, were just the tip of the iceberg. There are new revelations of financial conflicts involving Justice Neil Gorsuch and Chief Justice John Roberts.

Of course, what's even more outrageous is their activist decisions, including the wildly unpopular overturning of *Roe v. Wade.*

We think the reactionary judges on the Supreme Court are among the gravest dangers facing American democracy today. We need to launch a Supreme Court Desk to investigate their behind-the-scenes maneuverings and arguments, as well as the ramifications of their polarizing decisions.

We need your help. The expanded coverage of the new Supreme Court Desk will cost just $25,000.

We put our clients

first

Our clients rated us “#1 in Investor Satisfaction with Full-Service Wealth Management Firms” in the J.D. Power 2023 U.S. Full-Service Investor Satisfaction Study. Our approach to wealth management means personalized guidance to help you navigate complex needs and 24/7 access to live support with experienced representatives. All with the low costs and transparent pricing you expect from Schwab. And a Satisfaction Guarantee to back it up.

Learn more today at
Schwab.com/wealthmanagement

charles SCHWAB

Own your tomorrow™

Charles Schwab received the highest score in the J.D. Power 2023 U.S. Full-Service Investor Satisfaction Study, which measures investor satisfaction with full-service investment firms. Visit jdpower.com/awards for more details. The J.D. Power 2023 U.S. Full-Service Investor Satisfaction Study is independently conducted, and the participating firms do not pay to participate. Use of study results in promotional materials is subject to a license fee.

If you are not completely satisfied for any reason, at your request Charles Schwab & Co., Inc. (“Schwab”) or Charles Schwab Bank, SSB (“Schwab Bank”), as applicable, will refund any eligible fee related to your concern. Refund requests must be received within 90 days of the date the fee was charged. Schwab reserves the right to change or terminate the guarantee at any time. Go to schwab.com/satisfaction to learn what’s included and how it works.
Asset minimums apply to work with a dedicated investment consultant.
© 2023 Charles Schwab & Co. All rights reserved. Member SIPC. (0523-35MM) ADP121110-00

TECHNOLOGY: CHINA LIMITS MICRON SALES B6

BUSINESS & FINANCE

© 2023 Dow Jones & Company. All Rights Reserved.

Last Week: **S&P** 4191.98 ▲1.65% **S&P FIN** ▲2.18% **S&P IT** ▲4.19% **DJ TRANS** ▲0.92% **WSJ $ IDX** ▲0.46% **2-YR. TREAS.** yield 4.287% **NIKKEI** 30808.35 ▲4.83% **See more at WSJ.com/Markets**

Investors Shelter Against Default

Many are pulling cash from stock funds and seeking safety in long-term Treasurys

By Eric Wallerstein

Some investors are betting the debt-ceiling stalemate could inject a new dose of volatility into markets.

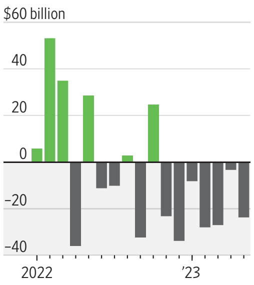
As the U.S. government lurches closer to possibly missing debt payments—which Treasury Secretary Janet Yellen said this past week would "crack open the foundations upon which our financial system is built"—the S&P 500 is up 9.2% this year at its highest levels since August, and stock-market volatility has subsided to lows not seen since 2021.

Yet investors are wary. Traders are betting on a rise in the Cboe Volatility Index, known as Wall Street's fear gauge because it tracks the price of options often used as insurance against market declines. Investors are pulling cash from stock funds for the seventh-straight month and seeking safety in Treasurys that don't mature for several years.

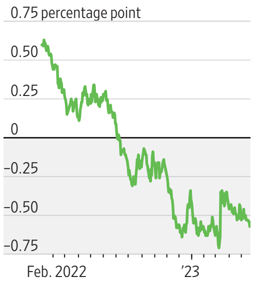
During the debt-ceiling crisis of 2011, the S&P 500 fell more than 15% from the start of July through early August, when S&P downgraded the U.S.'s credit rating. BlackRock analysts say this time the economic backdrop is worse. Back then, the Federal Reserve was supporting markets with low rates and investors were worried about deflation. Today, lingering inflation and tighter policies from central banks are more of a threat.

"Monetary policy expectations have really driven market

U.S. equity fund net inflows, monthly*



Spread between five-year and two-year U.S. Treasury yields



*As of week ended May 17
Sources: Refinitiv Lipper (net inflows); Federal Reserve, Dow Jones Market Data (spread)

performance," said Jordan Brooks, co-head of the macro strategies group at AQR Capital Management. "But when you're rallying because ostensibly you think a financial crisis could cause rates to come down? I'm pretty sure the market doesn't do well in a crisis."

Investors continue to believe the Fed will cut rates at least once this year, despite signals from Fed officials that they will remain restrictive. But the only sensible reason to expect lower rates soon, according to Brooks, is a rapid downturn.

"I don't see a way out of this without more volatility and uncertainty," said Brooks.

In the coming days, investors will continue to track progress toward a debt-ceiling resolution. They also will parse minutes from the Fed's May meeting for insight into where interest rates might be headed, along with earnings results from companies such as **Lowe's** and **Nvidia**.

The options market, meanwhile, is flashing warning signs about this year's rally. Traders are using call options to bet that the Cboe Volatility Index, or VIX, will rise at the fastest clip since March 2020, Cboe data show. That started when the regional-bank turmoil erupted but hasn't slowed, even as those worries have eased.

The VIX has been at or be-

Please turn to page B2

China Aims to Challenge Musk's Starlink

By Clarence Leong And Micah Maidenberg

China is increasing efforts to develop a satellite-powered internet network that can compete with Elon Musk's Starlink, which has quickly expanded around the world and whose military applications have been on display in Ukraine's defense against Russia.

Beijing's ambition to build a satellite-broadband network has faced hurdles including limited launch capacity and technological barriers.

But Starlink's ability to maintain high-speed internet connections to Ukraine despite the country's damaged telecommunications infrastructure underscored the need for similar fleets of satellites orbiting close to Earth—known as constellations.

Chinese military researchers have called for faster deployment of the country's own constellations, citing concerns that key orbits risk becoming crowded.

New launch sites are now under construction in China, and the country's satellite industry has been expanding with the entrance of new state-owned as well as private-sector companies.

One private company, Beijing Tianbing Technology, is seeking to develop rockets to deploy up to 60 satellites in a single launch—roughly the same as the payload of the partially reusable Falcon 9 rockets that Musk's SpaceX uses to supply Starlink.

Last month, Tianbing took a significant step toward building reusable vehicles when it sent a liquid-fuel rocket into orbit for the first time. Falcon 9's lower launch costs and large payload capacity have been critical to Starlink's rapid growth.

It is "entirely possible that in two years' time China's launch payload volume can double," said Blaine Curcio, founder of Orbital Gateway Consulting, a Hong Kong-based firm focused on China's space sector.

SpaceX has taken steps to limit Starlink's use for direct military operations, such as to guide drone strikes. Still, the Ukrainian military continued to use Starlink for other communications, and the service has provided connections for nonmilitary agencies in the country as well.

Please turn to page B6

◆ Musk uses finesse on the world stage.................................. B6

College Students Embrace Wild Market Ride

By Hannah Miao

Sam Eckert oversees an equity fund that is beating the S&P 500 this year. But he isn't a professional portfolio manager, and neither are his colleagues.

Eckert is a rising senior and the investment committee chair of the University of Chicago's undergraduate investment club, the Blue Chips.

It is one of many college clubs where teenagers and 20-somethings are learning about investing by managing tens or hundreds of thousands—even millions—of dollars in assets. In other words, there is more at stake than an economics test.

Young investors are often associated with cryptocurrencies and meme-stock mania. Investment clubs take a different approach.

"A lot of my friends seem to treat their Robinhood account like a slot machine," Eckert said. "What we do is kind of the antithesis."

Investment clubs might not be as ubiquitous as Greek life or intramural sports, but they are fixtures at colleges around the U.S.—big and small, public and private. Lafayette College's club says it is the oldest student-run investment club in the country, established in 1946 with $3,000 and now managing roughly $1 million.

Some clubs got started with donations from wealthy alums, others manage part of the university endowment.

Students take on roles such as analyst and portfolio manager, designed to mimic professional investment firms. Members research companies, pitch stocks, make trades—and debate everything from the trajectory of aluminum prices to whether a recession is imminent.

Graduating seniors have already seen quite a lot in their short investing careers. The market crashed during their freshman year as Covid-19 sent students home. Their sophomore year was a market boom. Junior year brought historic inflation, the most aggressive rate increases in decades and another downturn. Their final semester included a banking crisis. Many have learned to be OK with seeing a lot of red in their portfolio.

Data on how many investment clubs exist or how much money they collectively manage are hard to come by. But hundreds of students put their chops to the test at Engage UIC, a yearly stock-pitch competition and conference hosted by the University of Michigan's club, Michigan Interactive Investments.

Quinnipiac University in Connecticut also runs an annual conference with a competition for student-run portfolios. This year, students from more than 120 schools attended.

KEVIN SERNA FOR THE WALL STREET JOURNAL (2)

The University of Chicago's student-led Blue Chips Club updates portfolios and strategies.

Admission into some clubs can be as competitive as the analyst-recruiting process for Wall Street.

Yale Student Investment Group accepts members at about the same rate as the school's undergraduate admissions office: roughly 5%.

The clubs often have support and supervision from faculty advisers or the school's endowment investment managers and access to an engaged alumni network.

At New York University's Stern Investment Analysis Group, portfolio team members bring final stock pitches to an oversight board whose members include finance professors and alumni now managing private-equity firms and hedge funds.

Most clubs abide by vanilla

Sam Eckert

long-term equity investing principles. Rarely are they allowed to employ riskier plays like shorting stocks, trading options or using leverage.

Meetings can be intense. During stock pitches and portfolio updates, members relish poking holes in each other's arguments.

Alice Yu, a rising senior at NYU and president of the Investment Analysis Group, said she sometimes finds it more challenging to present investment ideas to fellow students than to the oversight board.

"My peers are some of my biggest critics," Yu said. "It prepares you extremely well to present in front of industry professionals."

For schools known as feeders for Wall Street firms, the investment clubs are well-trodden pit stops on the path to joining bulge-bracket investment banks.

At other schools, they are meant to put students on

Please turn to page B7

Big Franchisee Takes Time In Raising Fast-Food Prices

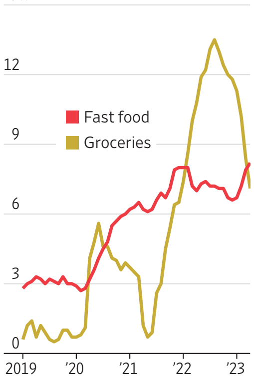
By Heather Haddon

When some **McDonald's** restaurants last year raised soft-drink prices, many diners bemoaned the loss of the chain's long-running $1 drinks deal. At **Flynn Restaurant Group**, Ashley Fenn started running numbers.

Fenn and her team of data scientists decided Flynn's Wendy's locations in Delaware, Maryland and Virginia could bump up their own drink, fry and dessert prices and not risk losing customers to rival McDonald's stores. After determining that the move helped cover costs without dragging down customer counts, the restaurants slightly increased drink prices again this year, executives said.

San Francisco-based Flynn, considered the largest U.S. restaurant franchisee, with more than $4 billion in annual sales, is harnessing reams of internal and competitor data to take a more surgical ap-

Consumer prices, change from a year earlier



Note: Fast food refers to limited-service meals and snacks away from home.
Source: Labor Department

proach to selling fast food and sit-down meals.

The company's two-year-old data team has sought to better track what competitors are charging. And as inflation wears on consumers, Flynn is also studying whether prices can come down for certain items without hurting profit.

"It speaks to the growing sophistication of our business. There's a lot of money at stake," said Greg Flynn, who owns more than 2,350 restaurants spanning Applebee's, Taco Bell, Panera Bread, Arby's, Wendy's and Pizza Hut chains.

Many restaurants increased their prices three to five times last year, up from a typical two to three cost hikes annually, according to industry consulting firm Revenue Management Solutions. Fast-food prices were up 8.2% in April compared with last year, outpacing annual inflation at grocery stores for the first time since early 2022, according to the Labor Department.

Many restaurant chains say they are planning to further increase menu prices this year as inflation persists. Some

Please turn to page B2

INSIDE

AUTOS
The availability of new cars and trucks on dealership lots is bouncing back. **B3**

COMMODITIES
A sputtering recovery in China dragged copper prices to a five-month low. **B12**

Exxon Joins Hunt for Lithium in Bet on EVs

By Benoît Morenne And Collin Eaton

Exxon Mobil is bracing for a future far less dependent on gasoline by drilling for something other than oil: lithium.

The Texas oil giant recently purchased drilling rights to a sizable chunk of Arkansas land from which it aims to produce the mineral, a key ingredient in batteries for electric cars, cellphones and laptops, according to people familiar with the matter.

Lithium is far removed from the fossil-fuel business, which has powered Exxon's profits for more than a century, and signals the company's assessment that demand for internal combustion engines could soon peak, the people said.

Exxon bought 120,000 gross acres in the Smackover formation of southern Arkansas from an exploration company called **Galvanic Energy**, according to some of the people. The price tag was more than $100 million, people familiar with the matter said, a relatively small transaction for a company of Exxon's size.

The new venture doesn't amount to a significant strategic shift for Exxon, which has said it is confident that oil and gas will be needed for decades. But Exxon is looking to gain a foothold in a region believed to contain vast lithium reserves, both to produce the mineral and to test the viability of extraction technologies.

Exxon could begin drilling on the prospect in the coming months, people familiar with the matter said, and could expand its operations if it proves profitable.

Galvanic said last year that a third-party consultant it hired estimated the prospect could have 4 million tons of lithium carbonate equivalent, enough to power 50 million EVs. Extracting lithium from brine involves drilling for, piping and processing liquids, processes in which oil-and-gas companies have long developed expertise, making them well suited to produce the min-

Please turn to page B2

INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

A
Allen & Overy....B2
Amazon.com....B6
Anheuser-Busch InBev A1
Anta Sports Products.B3
B
BHP Group....B12
BP....B2
C
CMOC Group....B12
First Republic Bank....A1
Flynn Restaurant Group B1
Ford Motor....B3
Freeport-McMoRan...B12
G
Galvanic Energy....B1
General Motors....B3
Glencore....B12
Goldman Sachs....B12
J
JPMorgan Chase....B12
L
Li-Ning....B3
Lowe....B1
M
McDonald....B1
Micron Technology....A2
N
Nike....B3
Nvidia....B1
O
Occidental Petroleum.B2
OneWeb....B6
R
Rivada Space Networks B6
S
Shearman & Sterling..B2
Shell....B2
Stellantis....B3
T
TDK....A2
Tesla....B2,B6

INDEX TO PEOPLE

B
Bellamy, Ron....B2
Brooks, Jordan....B1
C
Curcio, Blaine....B1
D
Dejonghe, Wim....B2
Dergarabedian, Paul...B2
deSouza, Francis....B12
F
Fenn, Ashley....B1
Flynn, Greg....B1
G
Gates, Bill....A1
Ghali, Daniel....B12
Gorman, James....B12
Gulden, Bjorn....B3
H
Hakki, Adam....B2
I
Icahn, Carl....B12
J
Jiang, Zhengyang....R3
K
Kawa, Luke....B12
L
Lawler, John....B3
M
Maguire, Phil....B3
Molchanov, Pavel....B2
Musk, Elon....B1,B2,B6
P
Peng, Cameron....R3
R
Ross, Lester....B6
S
Saltzman, Chance....B6
Shotwell, Gwynne....B6
Siu, Adrian....B3
T
Teno, Andrew....B12
Thompson, John....B12
Tusk, Bradley....B6
U
Unnikrishnan, Sudakshina....B12
W
Wall, Mike....B3
Whittingham, Stanley B2
Woods, Darren....B2
Yan, Hongjun....R3

BUSINESS & FINANCE

Latest 'Fast & Furious' Tops Weekend Box Office

By Ginger Adams Otis

Estimated Box-Office Figures, Through Sunday

	Film	Distributor	Sales, In Millions Weekend*	Cumulative	% Change
1.	**Fast X**	Universal	$67.5	$67.5	—
2.	**Guardians of the Galaxy Vol. 3**	Disney	$32.0	$266.5	-48.4%
3.	**The Super Mario Bros. Movie**	Universal	$9.8	$549.3	-22.3%
4.	**Book Club: The Next Chapter**	Focus Features	$3.0	$13.1	-55.1%
5.	**Evil Dead Rise**	Warner Bros.	$2.4	$64.1	-36.2%

*Friday, Saturday and Sunday in North American theaters

Source: Comscore

Universal Pictures' "Fast X" raced into first place at the domestic box office this weekend with a debut of $67.5 million, a strong start for the 10th installment of the long-running action franchise.

"Fast X" performed well with international audiences, continuing a pattern that has been at the heart of the success of nine previous films in the saga.

The film took in $251.4 million in its opening weekend to become the No. 1 international opening of the year, topping Universal's other hit, "The Super Mario Bros. Movie," in overseas markets. That brought "Fast X" to a global box-office debut of $318.9 million. Universal is a unit of **Comcast**.

The action film also surged past "Guardians of the Galaxy, Vol. 3," which opened May 5. "Guardians 3," from **Walt Disney**'s Marvel Studios, took in an additional $32 million domestically and $48.8 million overseas this weekend.

"Fast X," directed by Louis Leterrier, features familiar cast members in an ensemble led by Vin Diesel, who plays Dom Toretto. Newcomers include Jason Momoa and Rita Moreno, who plays Diesel's grandmother.

The franchise, launched in 2001, has lost some of its pull among domestic audiences. Its ninth installment, "F9: The Fast Saga," made its debut domestically at $70 million in 2021, when the pandemic still posed a challenge for studios. That film was widely seen as proof that moviegoers were willing to venture back to the theater.

International audiences have been the key to enduring success for the franchise, said Paul Dergarabedian, a media analyst for Comscore, a media company that tracks global box-office earnings. While "Fast X" bested "Mario Bros." and "Guardians" among international audiences, both movies outperformed the film domestically on their opening weekends, he said.

Rounding out the top five films this weekend were "Book Club: The Next Chapter," about four friends who take their book club to Italy, from Universal's Focus Features, and the horror flick "Evil Dead Rise," from Warner Bros. Pictures.

"Book Club" claimed the fourth spot with cumulative domestic earnings of $13.1 million, and "Evil Dead Rise," in its fifth weekend, has scared up $64 million at the domestic box office.

Merger To Create Massive Law Firm

By Erin Mulvaney

London-based **Allen & Overy** and New York firm **Shearman & Sterling** said on Sunday that they plan to merge, representing one of the largest tie-ups in recent history with a projected $3.4 billion in annual revenue.

The proposed merger, pending approval by partners, would create Allen Overy Shearman Sterling, or A&O Shearman, with 3,900 total lawyers and 800 partners in 49 offices in 29 countries. In terms of revenue, it would be the third-largest firm globally, the firms said. Kirkland & Ellis and Latham & Watkins are the largest firms in terms of revenue, with DLA Piper currently third, according to annual rankings by legal magazine The American Lawyer.

Adam Hakki, senior partner at Shearman & Sterling, said the firms' needs are a mirror image of each other. Allen & Overy has the global reach to help Shearman gain scale, while Shearman has the footing in the U.S. legal market, where it has long counted some of the largest publicly traded companies as clients.

Hakki said the legal industry at large is poised to consolidate, and Shearman has wanted to grow.

"We don't want to be bigger for bigger sake. This legal industry will be looking at things like this," he said. "The combined firm will have unique features that have the potential to be transformative."

Shearman was in talks to merge with Hogan Lovells this year, but the firms said in March those discussions ended. Shearman also lost some partners to rival firms in recent months amid the aborted merger talks, and underwent restructuring, laying off attorneys and staff, as the demand for transactional work cooled down.

Allen & Overy is one of the U.K.'s five leading law firms. It began as a finance firm based in London. Shearman gives the firm access to a "deep bench" of talented lawyers in the U.S., said Wim Dejonghe, senior partner at Allen & Overy.

"A&O Shearman will do this by accelerating our ability to bring the best of both firms, regardless of geography," Dejonghe said.

He said the firm will be unique because 30% of attorneys will be in the U.S., 30% in the U.K., and 40% in the rest of the world.

"Our vision is that we have to be credible in English and U.S. law to be part of the global elite," he said.

Exxon Makes Play On Lithium

MEREDITH KOHUT FOR THE WALL STREET JOURNAL

The company played a key role in founding the lithium industry. Vintage pumps at its headquarters.

Continued from page B1

eral, lithium and oil executives said.

Exxon projected last year that light-duty vehicle demand for internal combustion engine fuels could peak in 2025, while EVs, hybrids, and vehicles powered by fuel cells could grow to more than 50% of new car sales by 2050. The company also has projected the world's fleet of EVs could climb to as much as 420 million by 2040, up from 3 million in 2017.

Exxon Chief Executive Darren Woods said last year that fossil-fuel demand would remain robust for decades, driven by the production of chemicals and heavy transportation and industry.

Lithium production also would diversify Exxon's portfolio and expose it to a rapidly growing market. The company is positioning other parts of its business to accommodate electric vehicles. Exxon executives have said many of its chemical products supply EV manufacturers.

The auto industry's shift to EVs has triggered a race to lock in supplies of lithium and other materials core to battery making, much of which are currently mined and processed outside the U.S. **Tesla** CEO Elon Musk has said the lack of a steady pipeline for processed lithium is a major obstacle.

The Biden administration is seeking to encourage domestic production, despite opposition from environmentalists and others. The Inflation Reduction Act signed by President Biden into law last year includes tax credits covering 10% of the cost of producing critical minerals, including lithium.

The U.S. once was the world's largest lithium producer, but its output has plummeted, and it is now dependent on other nations such as China for its supply of the mineral. Producing lithium from regions such as Arkansas could help the U.S. meet its domestic needs as well as compete globally, analysts said.

In the 1970s, Exxon played a key role in the foundation of the lithium industry. Exxon chemist Stanley Whittingham won a Nobel Prize in 2019 for helping to develop the lithium ion battery while working at Exxon. Exxon began to manufacture the batteries in 1976, but the market ultimately proved too small, so the company ceased making the batteries some years later.

Exxon has plans to spend $17 billion through 2027 on cutting carbon emissions and developing low carbon technologies. Unlike **BP** and **Shell**, which are investing heavily in renewable energy, Exxon has said it would limit its clean-energy investments in technologies that hew to its core oil-and-gas business, such as hydrogen and carbon capture. Exxon has never publicly proposed producing lithium as part of its investment plans.

Auto makers' shift to EVs has sparked a race to lock in supplies of lithium.

Other large oil producers have been looking at the lithium business. **Occidental Petroleum** is developing technology to extract lithium from subterranean brine through its subsidiary TerraLithium.

The prospect of EVs dominating public transportation in the coming decades provides a strong incentive for oil-and-gas companies to get in on the lithium business, said Pavel Molchanov, an analyst at investment bank Raymond James. "It's a classic hedge against the prospect of eventually declining oil demand," he said.

Southern Arkansas in recent years has emerged as a potential lithium hub. Smackover brine, a rich broth of saltwater and minerals, has long been known to contain relatively high concentrations of lithium, but new technologies have recently made it possible to extract the metal from the brine in warehouse-size facilities.

Investors Take Shelter

Continued from page B1

low its historical average of around 20 since the end of March. It finished Friday at 16.8. The index tends to rise when stocks fall—the most popular wagers would pay out if the VIX surpasses 30.

Investors have dialed back on risk, pulling nearly $24 billion from U.S. equity funds in the first three weeks of May, Refinitiv Lipper data show, with the debt-ceiling deadline exacerbating fears of another round of stock-market pain.

Individuals who bought into high-yielding Treasurys and money-market funds are worried about what a potential default could do to their investments. Some are seeking shelter in government debt but shunning shorter-term Treasurys in favor of their longer-dated counterparts.

Watch a Video

Scan this code for a video on Biden addressing the debt-ceiling negotiations.

Data Key To Menu Price Hikes

RACHEL WISNIEWSKI FOR THE WALL STREET JOURNAL

Flynn owns over 2,350 restaurants, including Applebee's, above.

Continued from page B1

chain executives have warned that consumers might have a harder time bearing price increases later in the year, with a downturn looming.

Retailers have long employed sophisticated data tools to study the impact of pricing, built with data gathered from checkout-counter purchases and from prices online. Hotels and airlines for decades have crunched numbers to help set prices for individual markets and adjust them based on demand.

Restaurant operators have traditionally lagged behind other industries in integrating data to help set prices, but their customers don't come as frequently as they do to grocery stores, industry executives said. To assess competitors' prices, restaurant owners typically visited other restaurants and usually raised their own prices once or twice a year across multiple locations.

"We had local marketing teams that would go out and steal all the menus and enter them into an Excel file," said Ron Bellamy, Flynn's chief operating officer.

In 2019, as Flynn's restaurant holdings grew, executives discussed how they could build a better system to guide their restaurant managers on prices. The pandemic put the work on pause, but as sales started to stabilize in 2021, Flynn began to put together a business-analytics arm in its support center outside of Cleveland.

Flynn that year hired Fenn, who earned a Ph.D. in neuroscience and was working in consulting at McKinsey. They recruited other industry pricing and marketing specialists to build a nine-person team. Flynn invested in computer servers to warehouse data.

Data scientists collected prices for individual items across Flynn's restaurants, then layered on variables that could affect sales, such as bad weather or a change in restaurant hours. They began monitoring prices for competitor restaurants within a 3-mile radius of their stores.

Pandemic-driven growth in online ordering helped the effort, Mr. Bellamy said, making more of rivals' menus publicly available and allowing Flynn to monitor prices down to individual items sold by a chain and across different markets.

The data team discovered instances when Flynn's restaurant managers had boosted prices too much for individual items or too little compared with other types of food. At Flynn's roughly 290 Taco Bell restaurants, for example, some stores had increased prices for the brand's popular Doritos Locos Tacos by around $1 more than the regular version, and some customers were starting to resist, executives said. The team advised managers to stop raising prices on that item.

The data team also found that prices at hundreds of Pizza Hut restaurants acquired by Flynn in 2021 trailed competitors in many of their markets. Restaurant managers have since lifted pizza prices by small increments to help cover costs without turning customers away.

Flynn now gets monthly reports on the pricing moves of its competitors, which it uses to inform its own restaurant menus, executives said. It has developed dozens of levels of pricing for its brands tailored to individual geographies.

Auto Dealer Inventories Bounce Back

Sales lots are filling again as concerns about rising interest rates dull demand

By Ryan Felton

DAVID PAUL MORRIS/BLOOMBERG NEWS

Some brands, such as Jeep, are getting heavy on stock, according to industry data. A dealership in Richmond, Calif.

The availability of new cars and trucks on dealership lots is bouncing back, and for some brands is stronger than expected.

Buyers are finding a bigger selection of models to choose from this spring selling season, in large part because of easing supply-chain woes and more-stable factory output.

The replenished inventory also is shaping up to be an important test for car companies, many of which have said in recent years they would keep availability permanently constrained. Some brands, such as Jeep and Buick, are getting heavy on stock, according to industry data. If supplies get bloated, it could put an end to the lofty prices and big profits the industry has enjoyed since the pandemic's early days, analysts say.

Overall, dealerships had about 1.8 million vehicles in transit or on lots at the end of April, a 50% improvement compared with the same period in 2022—but about half the stock available two years before, according to data from industry-research firm Wards Intelligence.

U.S. auto sales have remained resilient, mostly because of pent-up demand, and even picked up in the first quarter of this year as inventory levels improved. Buyers also are paying historically high prices—the average vehicle sold for about $46,000 in April—and the amount of discounting on the car lot remains well below prepandemic levels, according to data analytics firm J.D. Power.

But rapidly rising interest rates are making it harder for many buyers to get into a car they can afford, a dynamic that is starting to weigh on sales, dealers say.

With inventories coming back, analysts say that pressure will rise to uncork the kinds of promotional deals that have dented profitability in the past.

"We've had some stores that have had a super successful spring, and some of the others that really didn't see the uptick that we normally seasonally would," said Phil Maguire, owner of the Maguire Family of Dealerships in Ithaca, N.Y.

"The demand is there, but they're running into a drastic change in their monthly budget where car payments might be doubling," he added.

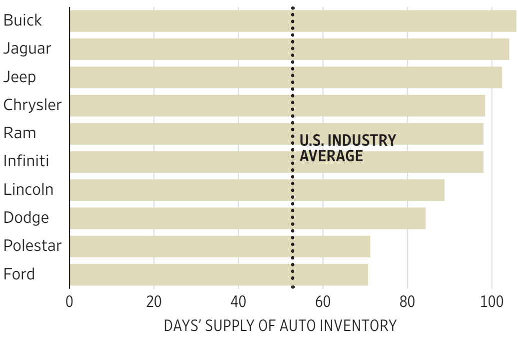
Among the brands leading the inventory build are a number sold by global automaker **Stellantis** NV. Ram, Jeep and Chrysler each have about 100 days' worth of unsold inventory or more at the end of April, about double the industry average, according to Cox Automotive. The figure compares with the 60 days that historically has been considered healthy for the industry.

The company's hefty stock levels, along with declining U.S. sales in the first quarter, prompted one analyst at CFRA Research to downgrade Stellantis's stock to a hold earlier this month.

Stellantis executives say the company has been building supplies ahead of the busy spring selling season and it is comfortable with its current inventory position, noting that the brands' stock levels remain below what they were prepandemic. The company said overall it has 69 days worth of unsold inventory.

Buick, Jaguar and Infiniti also were heavy on stock, each carrying close to 100 days of unsold inventory, Cox's data show. Representatives for Buick, Jaguar and Infiniti said their method for calculating days' supply internally shows a lower figure, sales for the brands remain brisk and they are comfortable with their respective inventory levels.

Auto brands with the heaviest inventory



Note: As of end of April

Source: Cox Automotive

Some other brands, such as Toyota and Honda, remain tight on inventory, carrying stock levels below the industry average, according to the Cox data.

Meanwhile, inventories of pickups have rebounded this year and are nearly back to prepandemic levels, said Mike Wall, an analyst with S&P Global Mobility.

Truck buyers are even seeing the return of some sales that had disappeared when supplies were low.

"You know you're back to normal when the truck month comes back," he said, referring to automakers' promotions that largely had gone away in the pandemic era because of short supplies.

Some analysts say the first-quarter prices were likely a peak for the industry, which now will have a harder time getting consumers to pay top dollar.

Those concerns sent stock at both **Ford Motor** and **General Motors** down earlier this month, following robust quarterly profits that largely beat Wall Street's expectations.

"We do expect the [the second half] to see more pricing pressures," said John Lawler, Ford Motor's chief financial officer, on an earnings call in May.

Adidas Seeks Redemption in China After Backlash

By Trefor Moss

QILAI SHEN/BLOOMBERG NEWS

Adidas is sponsoring state-backed events and supporting official cultural and sporting programs.

To become profitable again, **Adidas** says it must first fix its business in China.

Two years ago, the sportswear brand crossed the Chinese government and paid the price with lost market share and sales. Now, as Adidas embarks on a global turnaround under new Chief Executive Bjørn Gulden, it is recasting itself as Beijing's ally in pushing sports and local culture.

Adidas is sponsoring state-backed events and supporting official cultural and sporting programs, including helping to produce a TV show lionizing Chinese sporting heroes. It is joining with Chinese sports stars and developing more products aimed specifically at local consumers. Improving public health by increasing participation in sports has become a signature policy of President Xi Jinping.

The effort comes as many U.S. and European companies are wrestling with the fallout from rising tensions between Beijing and the West, as well as the emergence of sophisticated local competitors.

"We have experienced high times and low times, but we keep going," said Adrian Siu, Adidas's managing director in China. "We're here to support the China government to promote sport and to help people have a better life."

Adidas is seeking to bounce back from recent difficulties, including the loss of its Yeezy partnership with Kanye West and the closing of its stores in Russia after the invasion of Ukraine.

Adidas fell foul of Beijing in 2021 when it joined other Western companies in pledging not to use cotton sourced from China's Xinjiang region. Authorities in Xinjiang detained millions of Uyghur and other minority people and subjected many of them to forced labor, the U.S. and other Western governments say. China dismissed evidence collected by foreign researchers as rumors and says it is developing the region.

The German company's stance on Xinjiang triggered a backlash against Adidas that has had a lasting impact on its sales in China, which until recently was the brand's most important growth market. Adidas says it has maintained its stance of not sourcing any cotton from China. It continues to use dozens of Chinese suppliers, which produce its clothing and footwear.

Last year, with Covid-19 lockdowns in Shanghai and other major cities further depressing China sales, Adidas's Asian revenue came in at less than $6 billion, down one-third from the company's 2019 peak from the region.

For Adidas, repairing its China business is an urgent task as rapidly growing Chinese rivals seek to steal market share. Two decades ago, Adidas and **Nike** dominated the Chinese sportswear market, but today **Anta Sports Products** and **Li-Ning** lead a pack of local newcomers threatening to eclipse the Western brands.

Last year, Nike and Adidas held 15.3% and 9.7%, respectively, of China's sportswear market, according to data provider Euromonitor, compared with Anta's 14.8% and Li-Ning's 9.9%.

Local rivals grabbed further market share from foreign brands during the pandemic, Gulden said on an earnings call in May. Even so, he said Adidas's China rebuild is starting to produce results, with demand rising and inventory levels falling.

Adidas executives acknowledge privately that the company won't likely get back to where it was in China in terms of market share. Still, with China's sportswear market expected to keep growing strongly for years to come, simply holding on to its roughly 10% market share would boost revenue, they say.

Under Siu, who took charge of the China operation a year ago, Adidas is seeking to carefully repair its image. "We've increased our focus on sport [because] the China government wants to encourage people to do more sport," said Siu. Adidas is focusing especially on basketball, running, snowboarding and tennis.

Adidas's work with government agencies including the Chinese Athletics Association, with which it is running a series of track-and-field events, signals the company's rehabilitation has the blessing of senior officials.

The company is sponsoring major events, including the recent Shanghai Half Marathon.

Monitor the Market

Build a custom watchlist to track companies and indexes you care about.

EXPLORE
WSJ.com/buildwatchlist

THE WALL STREET JOURNAL.
TRUST YOUR DECISIONS

© 2023 Dow Jones & Company, Inc. All rights reserved. 3DJ8694

Special Advertising Feature

2023 UNITED STATES BEST MANAGED COMPANIES

Recognizing private company success

Congratulations to the 2023 honorees

The US Best Managed Companies program is pleased to announce its 2023 honorees. This group joins hundreds of private companies around the world that have competed for this designation in their respective countries through a rigorous and independent process that evaluates four key criteria in their management skills and practices — strategy, execution, culture, and governance/financials.

www.usbestmanagedcompanies.com

2023 GOLD STANDARD 4-YEAR HONOREES

Associa
Headquarters: Dallas, TX
Industry: Real estate
www.associaonline.com

Beztak
Headquarters: Farmington Hills, MI
Industry: Real estate development & property management
www.beztak.com

Blue Shield of California
Headquarters: Oakland, CA
Industry: Health care
www.blueshieldca.com

Children's Hospital Los Angeles
Headquarters: Los Angeles, CA
Industry: Pediatric health care
www.chla.org

HAVI
Headquarters: Chicago, IL
Industry: Supply chain, marketing & sourcing
www.havi.com

JE Dunn Construction Group, Inc.
Headquarters: Kansas City, MO
Industry: Construction
www.jedunn.com

J.M. Huber Corporation
Headquarters: Edison, NJ
Industry: Specialty engineered materials manufacturing
www.huber.com

KENT Corporation
Headquarters: Muscatine, IA
Industry: Bioscience manufacturing
www.kentww.com

Learning Care Group
Headquarters: Novi, MI
Industry: Early childhood education
www.learningcaregroup.com

Lithko Contracting
Headquarters: West Chester, OH
Industry: Concrete construction
www.lithko.com

Niagara Bottling
Headquarters: Diamond Bar, CA
Industry: Consumer products
www.niagarawater.com

Rumpke Waste & Recycling
Headquarters: Cincinnati, OH
Industry: Waste & recycling
www.rumpke.com

Servco Pacific Inc.
Headquarters: Honolulu, HI
Industry: Automotive
www.servco.com

Skullcandy, Inc.
Headquarters: Park City, UT
Industry: Consumer electronics
www.skullcandy.com

Southwire Company, LLC
Headquarters: Carrollton, GA
Industry: Wire & cable manufacturer
www.southwire.com

Sun-Maid Growers of California
Headquarters: Fresno, CA
Industry: Consumer packaged goods, organic baby food & kids' snacks
www.sunmaid.com

Telamon Corporation
Headquarters: Carmel, IN
Industry: Telecommunications infrastructure & automotive manufacturing
www.telamon.org

To read more about the 2023 honorees, scan the code:

Special Advertising Feature

2023 3-YEAR HONOREES

Advanced Technology Services, Inc.
Ball Horticultural Company
Cambia Health Solutions
Clemens Food Group
CoorsTek Inc.
CTE
Kravet Inc.
Laitram, LLC
Lockton
Mediacom Communications Corporation
Ocean State Job Lot
OnPoint Group
Pan-American Life Insurance Group
Seminole Gaming/Hard Rock International
SMC Corporation of America
Solenis
Standard Textile
VSP Vision™
Walbridge

2023 2-YEAR HONOREES

99 Ranch Market
Armstrong Transport Group
Breakthru Beverage Group
Burns & McDonnell
Coca-Cola Beverages Florida, LLC (Coke Florida)
Drees Homes
Eliassen Group
Griffith Foods
Lineage Logistics
Merchants Fleet
Ocean Spray
Peraton
SanMar Corp
Schnuck Markets, Inc.
Unified Women's Healthcare

2023 NEW HONOREES

Bay State Milling Company

www.baystatemilling.com

Headquarters: Quincy, MA **Industry:** Food & agriculture ingredients

Bay State Milling (BSM) is a leading provider of plant-based ingredients for the food industry. Family-owned and -operated since 1899, with its roots in flour milling, BSM has market-leading positions in whole grains, organics, ancient grains, gluten-free, and edible seeds. BSM has developed breakthrough ingredients like HealthSense® high-fiber wheat flour fueling growth in a rapidly changing food system.

Bush Brothers & Company

www.bushbeans.com

Headquarters: Knoxville, TN **Industry:** Consumer packaged goods

Bush Brothers & Company is a 115-year-old, family-owned company best known for its Bush's Best brand baked beans. The company produces the vast majority of all baked beans consumed in the United States.

Hawkins Construction Company

www.hawkins1.com

Headquarters: Omaha, NE **Industry:** Construction

Hawkins Construction is a fourth-generation, family-owned, full-service general contractor specializing in civil and industrial work around the greater Midwest.

Pax8

www.pax8.com

Headquarters: Greenwood Village, CO **Industry:** IT – cloud technology

Pax8 is the world's favorite cloud marketplace for IT professionals to buy, sell, and manage best-in-class technology solutions. With an innovative born-in-the-cloud platform, consolidated billing, automated provisioning, and unparalleled customer support, Pax8 is pioneering the future of modern business. Its award-winning solutions empower managed service providers (MSPs), vendors, and customers to achieve growth and success through streamlined operations. Additionally, Pax8 offers industry-leading integrations with professional services automation (PSA) to enhance efficiency and optimize performance.

Scoular

www.scoular.com

Headquarters: Omaha, NE **Industry:** Agriculture

Scoular creates safe, reliable, and innovative agricultural supply chain solutions. From offices and facilities around the world, Scoular buys, sells, stores, handles, and processes grain and ingredients by leveraging its global networks and international trade, logistics, and transportation expertise.

Sponsored by: Deloitte. Private THE WALL STREET JOURNAL.

The Wall Street Journal news organization was not involved in the creation of this content.
Deloitte Private was not involved in the creation of this content. Content approved by each company.

Beijing Limits Micron Sales

Government, citing national security, bans big Chinese firms from buying its products

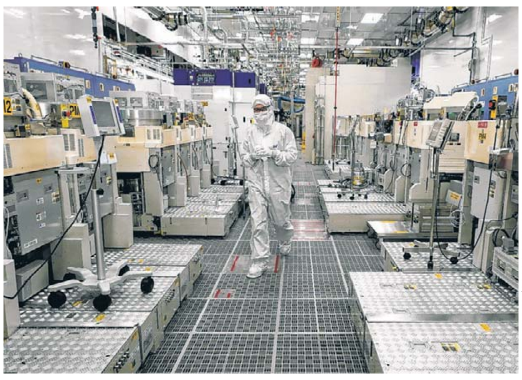
By Lingling Wei

China is banning major Chinese firms from buying from **Micron Technology**, saying its products pose a major national-security risk. The move caps an investigation that underscores strained relations between Beijing and Washington.

The Cyberspace Administration of China said Sunday its review of Micron products found "significant security risks" that would affect national security and warned operators of key Chinese information infrastructure—such as telecommunications firms and state-owned banks—against purchasing the company's goods.

"We are evaluating the conclusion and assessing our next steps," Micron said. "We look forward to continuing to engage in discussions with Chinese authorities."

The Chinese ban came less than two months after Beijing announced an investigation on imports from Micron, the largest memory-chip maker in the U.S., in what seemed a political gesture aimed at hitting back at a sweeping ban Washington put in place late last year on selling advanced chipmaking technology to China.



STEVE HELBER/ASSOCIATED PRESS

Micron's automotive-chip manufacturing plant in Manassas, Va.

Chinese officials believe certain American companies lobbied the Biden administration to institute the ban. The Micron probe suggested Beijing zeroed in on Micron as a particular target. It also comes as China has broadly ratcheted up pressure on foreign businesses in a bid to fortify its economy from foreign influence.

"We firmly oppose restrictions that have no basis in fact," the U.S. Commerce Department said in a statement late Sunday. "This action, along with recent raids and targeting of other American firms, is inconsistent with [China's] assertions that it is opening its markets and committed to a transparent regulatory framework." The statement also said the Commerce Department will engage directly with Chinese authorities to detail the U.S. position and will engage with key allies and partners to address what it termed as distortions of the memory-chip market caused by China's actions.

Even though the Micron ban only applies to big Chinese companies, the impact could be broader.

"Other domestic customers may also consider this to be a political signal to stop buying, and even replace, their products," said Lester Ross, a Beijing-based lawyer at WilmerHale, who advises American companies in China.

The Micron review is the first investigation into foreign firms that was carried out by the cyberspace watchdog, which reports to a leadership group headed by President Xi Jinping. Past regulatory actions against foreign companies in China have been mainly conducted by market regulators over issues involving pricing and competition.

The action against Micron comes on the heels of Beijing's condemnation of a statement issued by President Biden and leaders of six other democracies pledging to take steps to block transfer of sensitive technology to China and protect nations from what they see as Beijing's tactics of intimidation. China's Foreign Ministry described the Group of Seven as fostering "Western rules" that lack international credibility.

—Asa Fitch contributed to this article

Musk Uses Finesse On the World Stage

By Tim Higgins

As a self-described free-speech absolutist, Elon Musk is full of bluster and bravado in his dealings with U.S. policy makers and politicians. He has taken a softer approach when it comes to foreign leaders who hold power over his web of businesses.

Call it the Musk Doctrine.

It was on display recently during a live CNBC interview, when Musk jabbed at President Biden, criticized the Federal Reserve and defended his social-media postings.

"I'll say what I want to say and if the consequence of that is losing money, so be it," Musk said on Tuesday.

During the interview, on the topic of China, the billionaire was more measured when talking about the country that makes up more than 20% of automaker **Tesla**'s annual sales, building on a previous statement about Taiwan that was favorably received by the Chinese government.

"The official policy of China is that Taiwan should be integrated. One does not need to read between the lines," Musk said. "I'm simply saying that that is their policy. And I think you should take their word seriously. They mean it."

Musk is navigating the tension between his outspoken personality, which has helped him sell his vision of the future across industries, and the cold calculus of being a Western CEO in a world where authoritarian governments can pressure him.

"He understands that in the U.S. he can say what he wants to say because at the end of the day nothing is really gonna happen to him anyway but in countries where the rule of law isn't quite as strong—different ballgame," said Bradley Tusk, a venture capitalist and political strategist who served as an adviser to Uber on regulatory issues.

Musk's positions as the head of Tesla, SpaceX and Twitter put him at the center of political influences, global agendas and corporate risks. The addition of Twitter to his stable in late October and the deployment of SpaceX's Starlink satellite internet in Ukraine last year added greater scrutiny.

He is now selling tools that foreign leaders could see as more dangerous, a technology that threatens to democratize communication with Twitter and one that can connect people outside the reach of authoritarian regimes with Starlink.

"We can't go beyond the laws of a country," Musk said last month about moderating Twitter content during a British Broadcasting Corp. interview. "If we have a choice of either our people go to prison or we comply with the laws, we will comply with the laws."

Musk is now selling tools that foreign leaders could see as more dangerous.

With business all over the world, he is in a tight spot. Tensions between the U.S. and China have been mounting in part over Beijing's increased rhetoric around taking control of Taiwan, the democratically self-ruled island, stoking fears that Chinese leader Xi Jinping could act militarily as Russia did with Ukraine. Though Biden has tried to play down that likelihood, the relationship between Beijing and Washington has devolved to a low point.

Asked about the situation Tuesday, Musk called it an "inevitability" that China will eventually take control of Taiwan, cautioning that U.S.-China tensions over the island should be a "concern for everyone."

China to Challenge Starlink

Continued from page B1

In addition to governments, more private-sector companies plan constellations, including **Amazon.com** and **Rivada Space Networks**, based in Germany. **OneWeb**, a London-based satellite operator partly owned by the U.K. government, recently completed its constellation.

Satellite broadband became a national priority for China in April 2020, when the country's top economic-planning agency included it on a wish list of "new infrastructure" as part of Beijing's push to be self-sufficient in key technologies. Later that year, the International Telecommunication Union, a United Nations agency that registers satellite fleets, received China's filings for two constellations totaling at least 7,808 satellites.

It took SpaceX about four years from launching the first batch of satellites to power Starlink to having around 4,000 in orbit now. The company conducted more than 30 Starlink flights last year, and its executives have said they plan to pick up the pace in 2023. On Friday, SpaceX sent 22 satellites into orbit using a Falcon 9 rocket, the 17th Starlink-related launch this year.

In 2022, China launched 182 satellites, less than one-tenth of those deployed from the U.S., according to Jonathan McDowell, an astrophysicist who tracks global space flight.

"China wants to build Starlink too," SpaceX President Gwynne Shotwell said earlier this month at an event sponsored by the McCain Institute. "One thing China doesn't have—they don't have reusable rockets. I believe they will get there pretty quickly," she said.

SpaceX didn't respond to requests for comment about competition from China.

Developments in China's space industry accelerated after Beijing opened it up to the private sector in 2014. Though state-owned companies still dominate the sector, Orbital Gateway's Curcio says there are now around two dozen commercial launch companies in the country.

The country already has more than 700 operational satellites in orbit, about half of which are deployed by the military to track U.S. forces worldwide, Gen. Chance Saltzman, chief of space operations for the Space Force, said at a congressional hearing in March. More than 30 satellites make up Beidou, China's alternative to the U.S.-run Global Positioning System.

BUSINESS & FINANCE

Students Ride Wild Market

Continued from page B1

more equal footing when applying for jobs.

Jessica Vittoriano joined the Investment Management Group at Baruch College, a public school in the City University of New York system, as a freshman and was chief executive this past semester.

She is in the first generation of her family to be born in the U.S. and to attend college. Vittoriano credits the investment club with helping her land a sales-and-trading role at RBC Capital Markets after graduation.

Some students have been picking stocks since elementary school.

"The club basically paved the way for me to become who I am today," Vittoriano said.

Though some students have been picking stocks since elementary school, most come in with little prior investing knowledge.

The clubs usually have training programs led by upperclassmen.

Some clubs have seen an uptick in interest from students who recently started trading on personal brokerage accounts, spurred on by the madness around companies like GameStop in 2021.

At the University of Notre Dame, graduating senior Stewart Buzdon was president of the investment club this past year and was also a tour guide.

Recently, he noticed, prospective students perked up when he mentioned the club during tours. High-school students have even emailed the club to express their interest in joining—citing personal trading experience.

The day-trading students, though, are introduced to a different style. Browsing Reddit forums is out. Scouring financial statements is in.

For Charles Moskal, shifting his fellow students' mindsets from get-rich-quick bets to long-term value is a personal mission. He served as vice president of the investment club at Indiana State University for the past two years, and many club members come from families where money is tight. About half the school's students are eligible for Pell Grants.

"Risk is one of the things that college students have a tough time gripping, particularly people who need money now," Moskal said. "A lot of people don't understand where true value comes from in the market."

Investment clubs have another common goal: having fun. For the Blue Chips at the University of Chicago, dinners and other social events are part of the calendar just as much as meetings.

"We're all really good friends at the end of the day," Eckert said.

Closed-End Funds

Listed are the 300 largest closed-end funds as measured by assets. Closed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-ends generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. **NA** signifies that the information is not available or not applicable. **NS** signifies funds not in existence for the entire period. 12 month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month-end or during the previous 52 weeks for periods ending at any time other than month-end) by the latest month-end market price adjusted for capital gains distributions. Depending on the fund category, either 12-month yield or total return is listed.

Source: Lipper

Friday, May 19, 2023

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Adams Diversified Eq Inc **ADX**	18.88	15.85	-16.0	8.3
Central Secs **CET**	42.44	34.99	-17.6	2.1
CohenStrsCEOppFd **FOF**	10.55	10.56	+0.1	4.1
EVTxAdvDivIncm **EVT**	23.21	21.97	-5.3	-0.7
GabelliDiv&IncTr **GDV**	24.19	20.36	-15.8	2.2
Gabelli Equity Tr **GAB**	5.15	5.49	+6.6	-5.7
GeneralAmer **GAM**	48.78	40.04	-17.9	13.8
JHancockTaxAdvDiv **HTD**	20.73	19.68	-5.1	-9.4
Liberty All-Star Equity **USA**	6.11	6.03	-1.3	3.9
Liberty All-Star Growth **ASG**	5.38	5.06	-5.9	-2.8
Royce Micro-Cap Tr **RMT**	9.52	8.24	-13.4	1.2
Royce Value Trust **RVT**	14.94	12.86	-13.9	-5.0
Source Capital **SOR**	41.91	37.27	-11.1	4.5
Sprott Focus Trust **FUND**	8.29	7.75	-6.5	0.0
SRH Total Return **STEW**	15.74	12.80	-18.7	5.6
Tri-Continental **TY**	30.00	26.38	-12.1	2.8
Specialized Equity Funds				
abrdn Glb Prem Prop **AWP**	4.13	3.73	-9.7	-17.9
Adams Natural Resources **PEO**	24.06	19.90	-17.3	-0.4
ASA Gold & Prec Met Ltd **ASA**	18.75	16.06	-14.3	-12.9
BR Enh C&I **CII**	18.78	17.90	-4.7	11.6
BlackRock Energy & Res **BGR**	13.45	11.72	-12.9	2.0
BlackRock Eq Enh Div **BDJ**	8.68	8.25	-5.0	3.4
BlackRock Enh Glbl Div **BOE**	11.51	9.95	-13.6	5.5
BlackRock Enh Intl Div **BGY**	6.28	5.52	-12.1	14.2
BlackRock ESG Cap All T **ECAT**	17.64	15.44	-12.5	17.5
BlackRock Hlth Sci Term **BMEZ**	19.03	16.19	-14.9	12.9
BlackRock Hlth Sciences **BME**	42.60	40.83	-4.2	2.3
BlackRock Innov&Gro Term **BIGZ**	8.87	7.40	-16.6	1.3
BlackRock Res & Comm **BCX**	10.60	9.13	-13.9	-7.0
BlackRock Sci&Tech Term **BSTZ**	20.20	16.68	-17.4	-10.1
BlackRock Sci&Tech Trust **BST**	32.05	32.18	+0.4	0.9
BlackRock Utl Inf & Pwr **BUI**	22.68	22.04	-2.8	9.2
CLEARBRIDGE ENGY MDS OPP **EMO**	33.79	28.92	-14.4	10.0
CLEARBRIDGE MLP&MDSTM TR **CTR**	36.23	29.52	-18.5	7.0
ClearBridge MLP & Midstm **CEM**	39.90	33.80	-15.3	7.4
ChnStrInfr **UTF**	23.15	21.72	-6.2	-11.4
Cohen&SteersQualInc **RQI**	11.89	11.00	-7.5	-9.6
CohenStrs Real Est and I **RLTY**	15.04	12.91	-14.2	-18.1
Cohen&Steers TotRet **RFI**	11.28	11.02	-2.3	-8.8
CohenStrsREITPrefInc **RNP**	19.04	17.88	-6.1	-6.6
Columbia Sel Prm Tech Gr **STK**	25.76	27.72	+7.6	14.1
DNP Select Income **DNP**	8.48	10.28	+21.3	1.4
Duff&Ph Uti&Infra Inc Fd **DPG**	11.45	12.25	+7.0	-8.5
EtnVncEqtyInc **EOI**	15.95	15.79	-1.0	13.8
EtnVncEqtyIncoII **EOS**	17.64	16.62	-5.8	6.6
EVRskMnDvsEqInc **ETJ**	8.40	7.89	-6.1	-0.9
ETnVncTxMgdBuyWrtInc **ETB**	13.80	12.93	-6.3	-2.5
EtnVncTxMgdBuyWrtOpp **ETV**	12.96	12.28	-5.2	-0.9
EvTxMnDvsEqInc **ETY**	12.02	11.72	-2.5	10.3
EtnVncTxMgdGlbB **ETW**	8.87	8.19	-7.7	5.9
EVTxMnGblDvEqInc **EXG**	8.69	7.86	-9.6	4.6
Ecofin S&S Impact Term **TEAF**	NA	12.87	NA	-4.2
First Trust Energy Inc G **FEN**	15.08	13.12	-13.0	-9.4
First Tr Enhanced Eq **FFA**	17.85	16.81	-5.8	6.7
FirstTrEnergyInfra **FIF**	16.75	14.73	-12.1	4.5
FirstTrMLPEner&Inc **FEI**	9.06	7.77	-14.2	3.2
Gabelli Healthcare **GRX**	12.13	10.00	-17.6	-4.8
Gab Utility **GUT**	3.29	6.89	109.4	15.7
GAMCOGlGold&NatRes **GGN**	3.93	3.73	-5.1	6.0
J Han Finl Opptys **BTO**	23.22	25.99	+11.9	-16.6
Neuberger Brmn MLP & EI **NML**	7.67	6.45	-15.9	8.6
Neuberger Nxt Gen Conn **NBXG**	12.54	9.88	-21.2	3.9
Nuv Dow 30 Dyn Overwrite **DIAX**	15.95	14.50	-9.1	1.6
NuvCorEqAlpha **JCE**	12.82	12.19	-4.9	6.9
Nuveen Nasdaq 100 Dyn Ov **QQQX**	23.46	24.68	+5.2	16.1
Nuv Real Est **JRS**	8.00	7.10	-11.3	-18.3
Nuveen Rl Asst Inc & Gro **JRI**	13.36	11.27	-15.6	-9.8
NuvS&P500DynOvFd **SPXX**	15.88	15.44	-2.8	6.7
NuvSP500BuyIncFd **BXMX**	13.52	13.32	-1.5	9.5
ReavesUtilityIncome **UTG**	27.40	27.58	+0.7	-8.2
Tortoise Enrgy Infra Crp **TYG**	NA	28.65	NA	-5.0
Tortoise Midstream Enrgy **NTG**	NA	32.84	NA	-3.2
VDivInt&PremStr **NFJ**	13.64	11.72	-14.1	4.5
V Art Int&Tech Opps **AIO**	19.00	16.55	-12.9	8.1
Income & Preferred Stock Funds				
CalamosStratTot **CSQ**	14.05	13.72	-2.3	8.8
CohenStrsLtdDurPref&Inc **LDP**	18.91	16.98	-10.2	-9.6
CohenStrsSelPref&Income **PSF**	18.68	16.80	-10.1	-10.6
CohenStrsTaxAvPreSecs&I **PTA**	18.54	16.49	-11.1	-3.3
Dividend and Income **DNI**	16.79	NA	NA	NA
FirstTrIntDurPref&Inc **FPF**	17.00	15.09	-11.2	-14.2
JHanPrefInc **HPI**	14.29	14.54	+1.7	-8.4
JHPrefIncII **HPF**	14.19	14.38	+1.3	-10.7
HnckJPfdIncо III **HPS**	12.81	13.40	+4.6	-9.2
J Han Prm **PDT**	11.36	11.39	+0.3	-14.7
LMP CapInco **SCD**	14.22	12.10	-14.9	2.1
Nuveen Multi-Asset Inc **NMAI**	13.58	11.58	-14.7	0.6
Nuveen Pref & Inc Opp **JPC**	7.03	6.15	-12.5	-14.4
Nuveen Fd **JPS**	7.10	6.20	-12.7	-9.2
Nuveen Pref & Inc Term **JPI**	17.56	16.26	-7.4	-12.7

Continued on Page B8

A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA gained 126.02 points, or 0.38%, on the week. A $1 change in the price of any DJIA stock = 6.59-point change in the average. To date, a $1,000 investment on Dec. 31 in each current DJIA stock component would have returned $30,960, or a gain of 3.20%, on the $30,000 investment, including reinvested dividends.

The Week's Action: Pct chg (%)	Stock price change	Point chg in average*	Company	Symbol	Close	$1,000 Invested (year-end '22)
5.18	2.42	15.95	**Cisco**	CSCO	$49.13	**$1,047**
4.24	8.55	56.35	**salesforce.com**	CRM	210.36	**1,587**
3.79	5.08	33.48	**JPMorgan Chase**	JPM	139.18	**1,054**
3.60	4.42	29.13	**IBM**	IBM	127.26	**927**
3.39	5.02	33.09	**American Express**	AXP	152.95	**1,043**
3.39	0.98	6.46	**Intel**	INTC	29.93	**1,151**
3.03	9.37	61.76	**Microsoft**	MSFT	318.34	**1,334**
2.50	5.24	34.54	**Caterpillar**	CAT	214.78	**906**
2.39	4.79	31.57	**Boeing**	BA	205.49	**1,079**
2.08	6.65	43.83	**Goldman Sachs**	GS	326.15	**957**
1.93	3.73	24.58	**Honeywell**	HON	197.35	**931**
1.50	2.59	17.07	**Apple**	AAPL	175.16	**1,352**
0.90	1.63	10.74	**Travelers**	TRV	183.72	**985**
0.83	1.93	12.72	**Visa**	V	233.31	**1,127**
0.68	0.21	1.38	**Walgreens**	WBA	31.28	**861**
0.14	0.41	2.70	**Home Depot**	HD	290.88	**928**
−0.20	−0.59	−3.89	**McDonald's**	MCD	295.55	**1,128**
−0.69	−0.36	−2.37	**Dow**	DOW	51.95	**1,044**
−0.70	−0.64	−4.22	**Walt Disney**	DIS	91.35	**1,051**
−0.89	−1.39	−9.16	**Chevron**	CVX	155.23	**881**
−1.16	−1.87	−12.32	**Johnson & Johnson**	JNJ	158.91	**906**
−1.24	−1.24	−8.17	**3M**	MMM	99.03	**849**
−1.41	−1.65	−10.87	**Merck**	MRK	115.49	**1,048**
−1.79	−2.79	−18.39	**Procter & Gamble**	PG	153.17	**1,023**
−2.00	−1.28	−8.44	**Coca-Cola**	KO	62.83	**995**
−2.06	−3.16	−20.83	**Walmart**	WMT	149.91	**1,066**
−2.53	−12.41	−81.79	**UnitedHealth Group**	UNH	478.82	**906**
−4.09	−9.53	−62.81	**Amgen**	AMGN	223.42	**866**
−4.10	−1.54	−10.15	**Verizon**	VZ	36.05	**945**
−4.53	−5.45	−35.92	**Nike**	NKE	114.76	**984**

*Based on Composite price. DJIA is calculated on primary-market price.
Source: Dow Jones Market Data; FactSet.

THE TICKER

MARKET EVENTS COMING THIS WEEK

Monday

Earnings expected (Estimate/Year Ago)
Global-e Online (0.28)/(0.35)
Heico 0.73/0.62
Nordson 2.12/2.43
Zoom Video Communications 0.99/1.03

Tuesday

New-home sales
March, previous 683,000
April, expected 665,000

Earnings expected (Estimate/Year Ago)
Agilent Technologies 1.26/1.13
AutoZone 31.51/29.03
BJ's Wholesale Club Holdings 0.85/0.87
Intuit 8.49/7.65
Lowe's Cos. 3.44/3.51
Palo Alto Networks 0.93/0.60

Wednesday

Short-selling reports
Ratio, days of trading volume of current position, at Apr 28
NYSE 4.3
Nasdaq 2.6

EIA status report
Previous change in stocks in millions of barrels
Crude-oil stocks up 5.0
Gasoline stocks down 1.4
Distillates up 0.1

Mort. bankers indexes
Purch., previous down 4.8%
Refinan., prev. down 8.0%

Earnings expected (Estimate/Year Ago)
Analog Devices 2.75/2.40
Nutanix 0.04/(0.05)
Nvidia 0.92/1.36
Snowflake 0.06/0.08
Splunk (0.14)/(0.32)
UiPath 0.02/(0.03)

Thursday

EIA report: natural-gas
Previous change in stocks in billions of cubic feet
up 99

GDP Deflator
1st qtr. adv. est. up 4.0%
1st qtr. sec. est. up 3.7%

Gross domestic product:
Percentage change, annual rate
1st qtr. adv. est. up 1.1%
1st qtr. sec. est. up 1.1%

Initial jobless claims
Previous 242,000
Expected 250,000

Earnings expected (Estimate/Year Ago)
Autodesk 1.55/1.43
Costco Wholesale 3.29/3.04
Dollar Tree 1.52/2.37
Medtronic 1.55/1.52
Ulta Beauty 6.81/6.28
Workday 1.12/0.83

* FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in parentheses) ◆ Adjusted for stock split

Note: Forecasts are from Dow Jones weekly survey of economists

KRIS CRAIG/USA TODAY NETWORK/REUTERS

BJ's Wholesale Club Holdings is expected to report quarterly earnings of 85 cents a share on Tuesday.

Friday

U.S. bond market closes early, at 2 p.m. ET

Durable-goods orders
March, previous up 3.2%
April, expected down 0.9%

Personal spending
March, previous up 0.0%
April, expected up 0.4%

Personal income
March, previous up 0.3%
April, expected up 0.4%

U.Mich. consumer index
May., prelim 57.7
May., final 57.7

Earnings expected (Estimate/Year Ago)
Booz Allen Hamilton 0.94/0.86

Monday

U.S. stock and bond markets closed for Memorial Day

Read the Paper You Love on Any Device

Access your daily paper anytime, anywhere with our Print Edition app or website. Enjoy convenient access to full-page articles for easy reading and more.

WSJ subscribers have exclusive access. If you haven't yet, activate your digital account today at WSJ.com/connect to start exploring.

DOWNLOAD THE APP
WSJ.com/printapp

VISIT ON DESKTOP
WSJ.com/ereader

THE WALL STREET JOURNAL.
TRUST YOUR DECISIONS

©2023 Dow Jones & Co, Inc. All rights reserved. 6DJ9241

CLOSED-END FUNDS

Continued From Page B7

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
Nuveen Var Rate P&I **NPFD**	17.74	15.04	-15.2	-12.1
TCW Strat Income **TSI**	5.04	4.67	-7.3	2.2
Convertible Sec's. Funds				
AdvntCnvrtbl&IncFd **AVK**	12.13	11.48	-5.4	-1.5
CalamosConvHi **CHY**	10.38	10.63	+2.4	2.3
CalmosConvOp **CHI**	9.83	10.53	+7.1	2.6
Ellsworth G&I Fund Ltd **ECF**	9.40	7.93	-15.6	-3.7
V Conv & Inc **NCV**	3.73	3.28	-12.1	-1.8
V Conv & Inc II **NCZ**	3.32	2.92	-12.0	0.5
V Div Inc & Conv **ACV**	20.22	19.01	-6.0	5.2
V Eqty & Conv Inc **NIE**	22.52	20.02	-11.1	10.8
World Equity Funds				
abrdn Emg Mkts Eq Inc **AEF**	5.92	5.11	-13.7	-1.7
abrdn Tot Dyn Div **AOD**	9.44	8.14	-13.8	8.0
Allspring Gl Div Oppty **EOD**	4.73	4.22	-10.8	0.5
BlackRock Cap Alloc Term **BCAT**	17.09	15.04	-12.0	9.0
Calamos GloDynInc **CHW**	6.55	5.85	-10.7	-11.2
EV TxAdvGlbDivInc **ETG**	17.86	16.22	-9.2	6.7
EtnVncTxAdvOpp **ETO**	24.33	22.39	-8.0	2.9
FirstTr Dyn Euro Eq Inc **FDEU**	13.79	13.16	-4.6	21.0
Gabelli Multimedia **GGT**	4.12	6.14	+49.0	1.7
GDL Fund **GDL**	10.02	7.77	-22.5	1.3
Highland Global Alloc **HGLB**	11.26	8.56	-24.0	-9.5
India Fund **IFN**	15.66	15.32	-2.2	5.6
Japan Smaller Cap **JOF**	8.66	7.25	-16.3	13.0
LazardGlbTotRetInc **LGI**	16.96	14.87	-12.3	6.9
Mexico **MXF**	NA	16.42	NA	10.8
Miller/Howard High Inc E **HIE**	10.70	9.91	-7.4	4.9
MS ChinaShrFd **CAF**	16.71	13.40	-19.8	-9.2
MS India **IIF**	24.67	19.96	-19.1	4.7
MS CBRE Gl In Mg **MEGI**	16.60	13.99	-15.7	-12.0
Templeton Dragon **TDF**	11.03	9.26	-16.0	-15.4
Templeton Em Mkt **EMF**	13.31	11.43	-14.1	2.6
U.S. Mortgage Bond Funds				

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
BlckRk Income **BKT**	12.96	12.36	-4.6	8.5
Invesco HI 2023 Tgt Term **IHIT**	8.03	7.48	-6.8	5.6
Investment Grade Bond Funds				
Angel Oak FS Inc Trm **FINS**	13.80	11.75	-14.9	9.8
BlRck Core Bond **BHK**	10.84	10.29	-5.1	8.1
BR Credit Alloc Inc **BTZ**	11.13	10.24	-8.0	9.6
InvescoBond **VBF**	15.86	14.93	-5.9	4.8
J Han Income **JHS**	11.83	10.83	-8.5	4.7
MFS Intmdt **MIN**	2.97	2.75	-7.4	0.0
Western Asset Inf-Lk Inc **WIA**	9.83	8.52	-13.3	14.7
Western Asset Inf-Lk O&I **WIW**	10.51	9.01	-14.3	12.1
Westn Asst IG Def Opp Tr **IGI**	17.10	16.32	-4.6	4.7
Loan Participation Funds				
Apollo Senior Floating **AFT**	NA	12.54	NA	9.6
BR Debt Strategy **DSU**	10.54	9.39	-10.9	8.5
BR F/R Inc Str **FRA**	12.90	11.50	-10.9	8.0
BlackRock Floatng Rt Inc **BGT**	12.51	11.03	-11.8	8.2
Blackstone Sr Fl Rt Tm **BSL**	14.18	12.49	-11.9	8.3
Blackstone Strat Cr **BGB**	12.23	10.70	-12.5	8.6
Eagle Point Credit **ECC**	NA	10.84	NA	21.3
EtnVncFltRteInc **EFT**	12.72	11.17	-12.2	8.7
EV SenFlRtTr **EFR**	12.52	11.15	-10.9	8.9
FT/Sr Fltg Rte Inc 2 **FCT**	10.99	9.60	-12.6	8.7
Highland Income **HFRO**	13.48	8.60	-36.2	10.7
InvDYCrOpp:AX **VTA**	10.98	NA	NA	NA
InvSnrIncTr **VVR**	4.01	3.65	-9.0	13.3
Nuveen Credit Strat Inc **JQC**	5.72	4.91	-14.2	10.4
NuvFloatRateIncFd **JFR**	8.94	7.90	-11.6	10.1
NuvFloatRteIncOppty **JRO**	8.83	7.66	-13.3	10.3
Nuveen Senior Income **NSL**	5.20	4.52	-13.1	10.5
High Yield Bond Funds				
AllianceBernGlHiIncm **AWF**	10.45	9.59	-8.2	8.9
Allspring Income Oppty **EAD**	6.99	6.20	-11.3	10.3
Barings Glb SD HY Bd **BGH**	14.39	12.77	-11.3	9.6
BR Corporate HY **HYT**	9.27	8.41	-9.3	10.6
BlackRock Ltd Dur Inc **BLW**	13.51	12.73	-5.8	9.0
Brookfield Real Asst Inc **RA**	14.96	16.37	+9.4	13.8
CrSuisHighYld **DHY**	2.07	1.90	-8.2	9.8
DoubleLine Inc Sol **DSL**	11.62	11.42	-1.7	12.9
DoubleLine Yld Opps **DLY**	14.99	14.10	-6.0	10.1
First Tr Hi Inc Lng/Shrt **FSD**	12.47	11.02	-11.6	11.0
First Trust HY Opp:2027 **FTHY**	15.46	13.64	-11.8	10.9
Franklin Univ **FT**	7.45	6.74	-9.5	7.3

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
KKR Income Opportunities **KIO**	NA	10.94	NA	11.6
Nuveen Global High Inc **JGH**	12.45	10.71	-14.0	11.9
PGIM Global High Yield **GHY**	12.29	10.88	-11.5	11.3
PGIM High Yield Bond **ISD**	13.51	12.16	-10.0	10.1
PGIM Sh Dur Hi Yld Opp **SDHY**	16.91	14.59	-13.7	8.6
PioneerHiIncm **PHT**	7.49	6.68	-10.8	10.7
WstAstHIF II **HIX**	4.66	4.52	-3.0	12.2
Western Asset Hi Inc Opp **HIO**	4.20	3.68	-12.4	9.4
Western Asset Hi Yld D O **HYI**	12.24	11.43	-6.6	9.7
Other Domestic Taxable Bond Funds				
Allspring Multi-Sector **ERC**	9.66	8.78	-9.1	10.3
Apollo Tactical Income **AIF**	NA	12.35	NA	10.7
Ares Dynamic Crdt Alloc **ARDC**	NA	11.74	NA	10.2
BlackRock Mlt-Sctr Inc **BIT**	14.45	14.34	-0.8	10.0
BlackRock Tax Muni Bd **BBN**	17.73	17.15	-3.3	7.6
DoubleLine:Oppor Crdt Fd **DBL**	14.47	14.64	+1.2	9.1
EVLmtDurIncm **EVV**	10.29	9.19	-10.7	12.6
Franklin Ltd Dur Income **FTF**	7.04	6.10	-13.4	11.5
J Han Investors **JHI**	13.80	12.49	-9.5	8.1
MFS Charter **MCR**	6.74	6.12	-9.2	0.0
NuvCorePlusImpact **NPCT**	11.64	9.87	-15.2	11.5
Nuveen Taxable Muni Inc **NBB**	16.80	15.68	-6.7	6.7
PIMCO Corp & Inc Oppty **PTY**	10.83	12.53	+15.7	12.0
PIMCO Corp & Inc Strat **PCN**	11.12	12.59	+13.2	11.7
PIMCOHiIncο **PHK**	4.52	4.69	+3.8	12.1
PIMCO IncmStrFd **PFL**	7.78	7.95	+2.2	12.2
PIMCO IncmStrFd II **PFN**	6.86	6.97	+1.6	12.2
Putnam Prem Inc **PPT**	3.86	3.57	-7.5	8.7
Western Asset Dvsfd Inc **WDI**	15.01	13.17	-12.3	11.2
World Income Funds				
abrdn AP IncFd **FAX**	3.10	2.65	-14.5	12.1
MS EmMktDomDebt **EDD**	5.41	4.68	-13.5	6.2
PIMCO Access Income **PAXS**	15.25	14.05	-7.9	15.1
PIMCO Dynamic Income **PDI**	17.41	18.11	+4.0	18.3
PIMCO Dynamic Inc Opp **PDO**	12.96	12.67	-2.2	19.4
PIMCO Stratg Inc **RCS**	4.33	5.30	+22.4	11.5
Templeton Em Inc **TEI**	5.53	4.80	-13.2	11.6
Templtn Glbl Inc **GIM**	4.53	4.10	-9.5	8.8
WstAstEmergDebt **EMD**	9.89	8.46	-14.5	10.9
Western Asset Gl Cr D Op **GDO**	12.78	12.27	-4.0	9.6
National Muni Bond Funds				
AllBerNatlMunInc **AFB**	12.19	10.40	-14.7	4.4
BlckRk Inv Q Mun **BKN**	12.94	11.27	-12.9	5.6
BlackRock Muni 2030 Tgt **BTT**	23.35	20.96	-10.2	3.3
BlackRock Muni **BFK**	11.39	9.84	-13.6	4.8
BlackRock Muni II **BLE**	11.80	10.12	-14.2	4.9
BlckRk Muni Inc Qly **BYM**	12.51	10.93	-12.6	4.9
BR MuniAssets Fd **MUA**	11.24	10.21	-9.2	5.3
BR MH Qly 2 **MUE**	11.24	9.64	-14.2	5.1
BR MuniHoldngs **MHD**	13.33	11.37	-14.7	5.0
BR MuniVest Fd **MVF**	7.74	6.61	-14.6	4.7
BR MuniVest 2 **MVT**	12.01	10.35	-13.8	4.8
BR MuniYield Fd **MYD**	11.85	10.23	-13.7	5.0
BR MuniYield Qlty **MQY**	12.96	11.35	-12.4	5.1
BR MuniYld Qlty2 **MQT**	11.50	9.94	-13.6	5.2
BR MuniYld Qly 3 **MYI**	12.30	10.79	-12.3	4.8
BNY Mellon Muni Bd Infra **DMB**	11.67	10.67	-8.6	5.0
BNY Mellon Str Muni Bond **DSM**	6.50	5.62	-13.5	5.3
BNY Mellon Strat Muni **LEO**	6.77	6.02	-11.1	5.0
DWS Muni Inc **KTF**	9.99	8.67	-13.2	4.2
EVMuniBd **EIM**	11.29	9.94	-12.0	4.4
EVMuniIncm **EVN**	11.16	9.95	-10.8	5.1
EVNatMuniOpp **EOT**	18.03	17.47	-3.1	4.3
InvAdvMuIncTrII **VKI**	9.50	8.30	-12.6	5.4
Invesco MuniOp **OIA**	6.24	6.11	-2.1	5.3
InvescoMuOppTr **VMO**	10.63	9.27	-12.8	5.3
InvescoMuTr **VKQ**	10.67	9.28	-13.0	5.3
InvescoQual Inc **IQI**	10.73	9.34	-13.0	5.2
InvTrInvGrMu **VGM**	10.97	9.58	-12.7	5.3
InvescoValMunInc **IIM**	13.14	11.56	-12.0	5.3
MAINSTAY:MK DEFTR MUN OP **MMD**	16.91	16.74	-1.0	5.7
NeubrgrBrm **NBH**	11.79	10.10	-14.3	5.3
Nuveen AMT-Fr Mu Val **NUW**	14.94	13.70	-8.3	3.3
Nuveen AMT-Fr Qlty Mun I **NEA**	12.45	10.71	-14.0	4.8
Nuveen AMT-Fr Mu CI **NVG**	13.26	11.48	-13.4	5.5
Nuveen Dyn Muni Opp **NDMO**	10.85	10.37	-4.4	8.3
Nuveen Mu Crdt Opps **NMCO**	11.75	10.95	-6.8	6.2
Nuv Muni Credit Income **NZF**	13.32	11.39	-14.5	5.2
NuvMuniHiIncOpp **NMZ**	10.90	10.36	-5.0	6.0
Nuveen Muni Val **NUV**	9.21	8.77	-4.8	3.8
Nuveen Quality Muni Inc **NAD**	12.85	11.07	-13.9	5.0
Nuveen Sel TF **NXP**	14.31	14.40	+0.6	3.8

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
PIMCO MuniInc **PMF**	9.53	9.75	+2.3	6.0
PIMCOMuniIncII **PML**	8.76	8.96	+2.3	6.8
Pimco Muni III **PMX**	8.05	7.93	-1.5	6.1
PioneerHiIncAdv **MAV**	9.08	7.84	-13.7	6.0
PionrMuniHiIncOppty **MIO**	12.12	10.17	-16.1	6.3
PioneerMunHiIcm **MHI**	9.83	8.51	-13.4	5.9
Putnam Mgd Inc **PMM**	6.44	5.93	-7.9	6.2
Putnam Muni Opp **PMO**	10.99	10.06	-8.5	6.0
RiverNorth Flx Mu Inc II **RFMZ**	14.99	13.61	-9.2	8.1
RiverNorth Mgd Dur Mun I **RMM**	15.80	15.11	-4.4	7.0
Western Asset Mgd Muni **MMU**	11.51	9.86	-14.3	4.5
Single State Muni Bond				
BlackRock CA Mun **BFZ**	12.79	11.70	-8.5	3.9
BR MH CA Qly Fd Inc **MUC**	12.40	10.65	-14.1	5.0
BR MH NJ Qly **MUJ**	12.87	10.99	-14.6	5.5
BR MH NY Qly **MHN**	11.91	10.30	-13.5	4.6
BR MuniYld MI Qly **MIY**	12.69	10.91	-14.0	4.9
BR MuniYld NY Qly **MYN**	11.49	9.87	-14.1	4.5
BlackRock NY Mun **BNY**	11.78	10.07	-14.5	4.7
EVCAMuniBd **EVM**	10.20	8.72	-14.5	4.4
Eaton Vance NY Muni Bd **ENX**	10.54	9.45	-10.3	3.8
InvCaValMuIncTr **VCV**	10.92	9.41	-13.8	4.7
InvPAValMuIncTr **VPV**	11.43	9.75	-14.7	4.8
InvTrInvGrNYMu **VTN**	11.70	10.05	-14.1	4.5
Nuveen CA AMT-F Qual MI **NKX**	12.89	11.16	-13.4	5.0
Nuveen CA Val **NCA**	9.20	8.57	-6.8	3.6
NuveenCAQtyMuInc **NAC**	12.46	10.58	-15.1	4.9
NuvNJ Qual Muni Inc **NXJ**	13.47	11.41	-15.3	4.3
Nuveen NY AMT/Fr Qual MI **NRK**	11.80	10.24	-13.2	4.8
Nuveen NY Qual Muni Inc **NAN**	12.29	10.77	-12.4	4.8
Nuveen PA Qual Muni Inc **NQP**	13.06	11.22	-14.1	4.0
Nuveen VA Qlty Mun Inc **NPV**	12.18	10.91	-10.4	4.5
PIMCO CA **PCQ**	10.22	9.72	-4.9	6.6
PIMCOCAMuniII **PCK**	6.49	5.90	-9.1	5.5

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Alternative Strategies:I	5.05	NA	NA	0.5
Specialized Equity Funds				
ARK Venture	19.50	NA	NA	NS
ArrowMark Financial Corp **BANX**	NA	16.38	NA	NA
CBRE GlbRlEst **IGR**	5.85	5.25	-10.3	-18.4
CIM RA&C A	25.29	NA	NA	3.7
CIM RA&C C	24.72	NA	NA	3.0
CIM RA&C I	25.47	NA	NA	3.9
CIM RA&C L	25.08	NA	NA	3.4
Clarion Partners REI D	12.28	NA	NA	4.4
Clarion Partners REI I	12.30	NA	NA	4.8
Clarion Partners REI S	12.30	NA	NA	3.8
Clarion Partners REI T	12.27	NA	NA	3.8
Forum RE Income;I	9.19	NA	NA	NS
GS Real Est Div Inc:A	9.33	NA	NA	-4.6
GS Real Est Div Inc:C	9.32	NA	NA	-5.3
GS Real Est Div Inc:I	9.81	NA	NA	-4.3
GS Real Est Div Inc:L	9.34	NA	NA	-4.9
GS Real Est Div Inc:P	9.82	NA	NA	-4.3
GS Real Est Div Inc:W	9.50	NA	NA	-4.6
NexPointRlEstStrat;A	19.04	NA	NA	-10.2
NexPointRlEstStrat;C	19.26	NA	NA	-10.9
NexPointRlEstStrat;Z	19.28	NA	NA	-9.98
PIMCO Flexible REI;Inst	10.28	NA	NA	NS
PREDEX;I	28.56	NA	NA	-6.6
PREDEX;T	28.73	NA	NA	-6.7
PREDEX;W	28.73	NA	NA	-6.7
Principal Dvs Sel RA A	24.98	NA	NA	-2.1
Principal Dvs Sel RA Ins	25.06	NA	NA	-1.8
Principal Dvs Sel RA Y	25.28	NA	NA	-1.6
SS Priv Venture & Gr:D	NA	NA	NA	NS
SS Priv Venture & Gr:I	NA	NA	NA	NS
SS Priv Venture & Gr:S	NA	NA	NA	NS
SS Priv Venture & Gr;T	NA	NA	NA	NS
The Private Shares;A	40.23	NA	NA	-6.1
The Private Shares;I	40.82	NA	NA	-5.9
The Private Shares;L	39.67	NA	NA	-6.4
Thirdline Real EstateI	10.07	NA	NA	6.3
USQ Core Real Estate:I	27.44	NA	NA	-6.4
USQ Core Real Estate:IS	27.49	NA	NA	-6.4
Versus Cap MMgr RE Inc:I	27.55	NA	NA	NE
Versus Capital Real Asst	27.43	NA	NA	3.6

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
Wildermuth:A	10.96	NA	NA	-17.0
Wildermuth:C	10.31	NA	NA	-17.7
Wildermuth:I	11.09	NA	NA	-16.9
Income & Preferred Stock Funds				
Alpha Alternative Assets	6.44	NA	NA	0.6
Calamos L/S Eqty and DI **CPZ**	17.60	14.98	-14.9	-0.4
Carlyle AlpInv Pvt Mkt:I	NA	NA	NA	NS
Constitution Cap Acs A	NA	NA	NA	NS
Constitution Cap Acs D	NA	NA	NA	NS
Flat Rock Opportunity	17.92	NA	NA	-1.3
Lord Abbett Spec Sit I:A	8.90	NA	NA	1.6
Lord Abbett Spec Sit I:I	8.91	NA	NA	2.5
Variant Altrntv Inc:Inst	29.05	NA	NA	8.3
Variant Impact;Instl	27.09	NA	NA	10.0
Convertible Sec's. Funds				
Calmos Dyn Conv and Inc **CCD**	19.13	23.03	+20.4	-1.8
World Equity Funds				
ACAP Strategic:A	16.60	NA	NA	5.4
ACAP Strategic:W	12.39	NA	NA	6.2
CalamosGlbTotRet **CGO**	10.09	9.27	-8.1	1.8
Cantor Fitzgerald SI:A	10.28	NA	NA	NS
Cantor Fitzgerald SI:C	10.25	NA	NA	NS
Cantor Fitzgerald SI:I	10.27	NA	NA	NS
Primark Priv Eq Inv:I	11.31	NA	NA	-1.5
Sweater Cashmere	20.63	NA	NA	3.4
Thornburg Inc Bldr Opps **TBLD.O**	17.40	15.04	-13.6	7.3
VirtusTotalRetFd **ZTR**	6.80	6.05	-11.0	-8.7

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
Arca US Treasury	NA	NA	NA	NE
Ellington Inc Opp:A	8.46	NA	NA	7.5
Ellington Inc Opp:M	8.35	NA	NA	8.2
Loan Participation Funds				
1WS Credit Income;A2	18.12	NA	NA	6.5
1WS Credit Income;Inst	18.37	NA	NA	6.4
AlphCntrc Prime Merid In	8.33	NA	NA	13.8
Axonic Alternative Inc	19.61	NA	NA	9.3
Blackstone FR EI D	20.98	NA	NA	8.4
Blackstone FR EI I	20.95	NA	NA	8.6
Blackstone FR EI T	20.91	NA	NA	8.1
Blackstone FR EI T-I	21.43	NA	NA	8.1
Blackstone FR EI U	21.83	NA	NA	8.1
Bluerock HI Inst Crd:A	24.39	NA	NA	NS
Bluerock HI Inst Crd:C	24.40	NA	NA	NS
Bluerock HI Inst Crd:F	24.40	NA	NA	NS
Bluerock HI Inst Crd:I	24.40	NA	NA	NS
BNYM Alcntr Glb MS Cr Fd	86.69	NA	NA	8.3
CliffwaterClFd;I	10.57	NA	NA	8.7
CliffwaterElFd;A	10.72	NA	NA	9.6
CNR Strategic Credit	7.41	NA	NA	19.5

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
Eagle Point Instl Income	NA	NA	NA	NS
Equalize Community Dev	9.45	NA	NA	3.5
FedProj&TrFinanceTendr	9.98	NA	NA	5.1
Flat Rock Core Income	20.06	NA	NA	6.8
Flat Rock Enhanced Inc	20.71	NA	NA	NS
InvDYCrOpp:A	10.98	NA	NA	8.7
InvDYCrOpp:R6	10.99	NA	NA	9.1
InvDYCrOpp:Y	10.98	NA	NA	9.0
Invesco Sr Loan A	5.74	NA	NA	10.0
Invesco Sr Loan C	5.75	NA	NA	9.2
Invesco Sr Loan IB	5.74	NA	NA	10.3
Invesco Sr Loan IC	5.74	NA	NA	10.1
Invesco Sr Loan Y	5.74	NA	NA	10.3
Lord Abbett FR Hi Inc:A	9.92	NA	NA	NS
Lord Abbett FR Hi Inc:I	9.92	NA	NA	NS
Monachil Credit Income:I	10.01	NA	NA	NS
Nomura Alt Inc;I	10.08	NA	NA	NS
OFS Credit Company **OCCI**	NA	8.91	NA	NA
Yieldstreet Prism	NA	NA	NA	8.6
High Yield Bond Funds				
Apollo Diversified Cd:A	NA	NA	NA	7.6
Apollo Diversified Cd:C	NA	NA	NA	7.3
Apollo Diversified Cd:F	NA	NA	NA	9.2
Apollo Diversified Cd:I	NA	NA	NA	7.6
Apollo Diversified Cd:L	NA	NA	NA	7.5
Apollo Diversified Cd:M	NA	NA	NA	7.4
Opprtnstc Crdt Intrvl;I	11.78	NA	NA	NS
Peak Income Plus	10.00	NA	NA	NS
PIMCO Flexible Cr I;A-1	6.95	NA	NA	15.5
PIMCO Flexible Cr I;A-2	6.95	NA	NA	15.5
PIMCO Flexible Cr I;A-3	6.95	NA	NA	15.2
PIMCO Flexible Cr I;A-4	6.95	NA	NA	15.2
PIMCO Flexible Cr I;Inst	6.95	NA	NA	16.0
Other Domestic Taxable Bond Funds				
AFA MMC;Fndr	9.37	NA	NA	9.3
AFA MMC;Inst	9.41	NA	NA	9.3
Alternative Credit Inc:A	9.75	NA	NA	7.1
Alternative Credit Inc:C	9.85	NA	NA	6.3
Alternative Credit Inc:I	9.77	NA	NA	7.4
Alternative Credit Inc:L	9.75	NA	NA	6.9
Alternative Credit Inc:W	9.74	NA	NA	7.1
Angel Oak Str Crdt:FI	20.51	NA	NA	NS
Angel Oak Str Crdt:Inst	20.50	NA	NA	8.0
BR Credit Strat;A	8.65	NA	NA	6.7
BR Credit Strat;Inst	8.62	NA	NA	7.6
BR Credit Strat;U	8.65	NA	NA	6.7
BR Credit Strat;W	8.65	NA	NA	6.7
BlackRock Mlt-Sctr Oppty	66.37	NA	NA	9.1
BlackRock Mlt-Sec Opp II	68.96	NA	NA	9.1
CION Ares Dvsfd Crdt;A	NA	NA	NA	6.3
CION Ares Dvsfd Crdt;C	NA	NA	NA	6.0
CION Ares Dvsfd Crdt;I	NA	NA	NA	6.5
CION Ares Dvsfd Crdt;L	NA	NA	NA	6.3

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
CION Ares Dvsfd Crdt;U	NA	NA	NA	6.0
CION Ares Dvsfd Crdt:U2	NA	NA	NA	6.0
CION Ares Dvsfd Crdt;W	NA	NA	NA	6.2
CNR Select Strategies	12.54	NA	NA	0.0
First Eagle Crdt Opps A	23.50	NA	NA	8.5
First Eagle Crdt Opps A2	23.46	NA	NA	NS
First Eagle Crdt Opps I	23.42	NA	NA	9.1
First Trust Private Cr;I	10.14	NA	NA	NS
Franklin BSP Pvt Cr:A	10.13	NA	NA	NS
Franklin BSP Pvt Cr:Adv	10.14	NA	NA	NS
FS Credit Income;A	11.79	NA	NA	6.4
FS Credit Income;I	11.83	NA	NA	6.6
FS Credit Income;T	11.82	NA	NA	6.1
FS Credit Income;U	11.77	NA	NA	5.8
FS Credit Income;U-2	11.86	NA	NA	6.5
FS Credit Opportunities	NA	NA	NA	0.0
GL Beyond Income	0.41	NA	NA	NE
KKR CREDIT OPPTY;D	NA	NA	NA	8.7
KKR CREDIT OPPTY;I	NA	NA	NA	8.9
KKR CREDIT OPPTY;T	NA	NA	NA	8.2
KKR CREDIT OPPTY;U	NA	NA	NA	8.2
Palmer Square Opp Inc	16.75	NA	NA	7.9
The Finite Solar Finance	9.94	NA	NA	1.5
World Income Funds				
BlueBay Destra Itl E:A	22.87	NA	NA	15.9
BlueBay Destra Itl E:I	22.89	NA	NA	16.1
BlueBay Destra Itl E:L	22.84	NA	NA	15.7
BlueBay Destra Itl E:T	22.74	NA	NA	15.6
Carlyle Tact Pvt Cred:A	NA	NA	NA	9.0
Carlyle Tact Pvt Cred:I	NA	NA	NA	9.5
Carlyle Tact Pvt Cred:L	NA	NA	NA	8.9
Carlyle Tact Pvt Cred:M	NA	NA	NA	8.7
Carlyle Tact Pvt Cred:N	NA	NA	NA	9.7
Carlyle Tact Pvt Cred:U	NA	NA	NA	NS
Carlyle Tact Pvt Cred:Y	NA	NA	NA	9.4
Lord Abbett Cred Opps Fd	8.73	NA	NA	8.2
Lord Abbett Cred Opps Fd	8.73	NA	NA	9.0
Lord Abbett Crd Op:U	8.73	NA	NA	8.2
Oaktree Dvsfd Income;D	8.80	NA	NA	7.3
PIMCO Flexible EM I;Inst	8.09	NA	NA	9.6
National Muni Bond Funds				
Ecofin Tax-Exempt Prv Cr	8.89	NA	NA	5.2
Lind Cap Pt Mun Cred Inc	8.73	NA	NA	4.3
Nuveen En HY Muni Bd:A1	7.16	NA	NA	5.2
Nuveen En HY Muni Bd:A2	7.17	NA	NA	NS
Nuveen En HY Muni Bd:I	7.15	NA	NA	6.0
PIMCO Flex Mun Inc;A-3	9.84	NA	NA	3.3
PIMCO Flex Mun Inc:A1	9.84	NA	NA	3.5
PIMCO Flex Mun Inc;A2	9.84	NA	NA	3.6
PIMCO Flex Mun Inc;Inst	9.84	NA	NA	4.0
Single State Muni Bond				
PIMCO CA FMI;A-1	9.94	NA	NA	NS
PIMCO CA FMI;Inst	9.94	NA	NA	NS

ADVERTISEMENT

The Marketplace

To advertise: 800-366-3975 or WSJ.com/classifieds

CLASS ACTION

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

IN RE: SYNCHRONY FINANCIAL SECURITIES LITIGATION

No. 3:18-cv-1818-VAB
CLASS ACTION

SUMMARY NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT; (II) SETTLEMENT HEARING; AND (III) MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES

TO: all persons or entities who purchased or otherwise acquired the common stock of Synchrony Financial ("Synchrony") during the period from January 19, 2018, through July 12, 2018, inclusive (the "Class Period"), and who were damaged thereby[1]:

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Connecticut (the "Court"), that the above-captioned securities class action (the "Action") is pending in the Court.

YOU ARE ALSO NOTIFIED that Lead Plaintiff Stichting Depositary APG Developed Markets Equity Pool ("Lead Plaintiff" or "APG") and Plaintiff Stichting Depositary APG Fixed Income Credits Pool (collectively with Lead Plaintiff, "Plaintiffs"), on behalf of themselves and the Class, have reached a proposed settlement of the Action for $34,000,000 in cash. If approved, the Settlement will resolve all claims in the Action.

A hearing will be held on **July 31, 2023 at 10:00 a.m.**, before The Honorable Victor A. Bolden at the United States District Court for the District of Connecticut, Courtroom 2 of the Brien McMahon Federal Building, United States Courthouse, 915 Lafayette Boulevard, Bridgeport, CT 06604, to determine: (i) whether the proposed Settlement should be approved as fair, reasonable, and adequate; (ii) whether the Action should be dismissed with prejudice against Defendants, and the Releases specified and described in the Stipulation and Agreement of Settlement dated April 3, 2023 (and in the Notice) should be granted; (iii) whether the proposed Plan of Allocation should be approved as fair and reasonable; and (iv) whether Lead Counsel's motion for attorneys' fees and expenses should be approved.

If you are a member of the Class, your rights will be affected by the pending Action and the Settlement, and you may be entitled to share in the Net Settlement Fund. If you have not yet received the Notice and Claim Form, you may obtain copies of these documents by contacting the Claims Administrator at: *Synchrony Securities Litigation*, c/o Epiq, P.O. Box 2090, Portland, OR 97208-2090, 1-877-252-5795, info@SynchronySecuritiesLitigation.com. Copies of the Notice and Claim Form can also be downloaded from the Settlement website, www.SynchronySecuritiesLitigation.com.

If you are a member of the Class, in order to be eligible to receive a payment from the Settlement, you must submit a Claim Form ***postmarked*** **no later than September 7, 2023**. If you are a Class Member and do not submit a proper Claim Form, you will not be eligible to receive a payment from the Settlement, but you will nevertheless be bound by any judgments or orders entered by the Court in the Action.

If you are a member of the Class and wish to exclude yourself from the Class, you must submit a request for exclusion such that it is ***received*** **no later than July 10, 2023**, in accordance with the instructions set forth in the Notice. If you properly exclude yourself from the Class, you will not be bound by any judgments or orders entered by the Court in the Action and you will not be eligible to receive a payment from the Settlement. Please note however, that you may be time-barred from asserting the claims covered by the Action by statutes of limitation or repose. Lead Counsel offers no advice and no opinion on whether you will be able to maintain such claims.

Any objections to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and expenses must be filed with the Court and delivered to Lead Counsel and Defendants' Counsel such that they are ***received*** **no later than July 10, 2023**, in accordance with the instructions set forth in the Notice.

Please do not contact the Court, the Office of the Clerk of the Court, Defendants, or their counsel regarding this notice. All questions about this notice, the proposed Settlement, or your eligibility to participate in the Settlement should be directed to the Claims Administrator or Lead Counsel.

Requests for the Notice and Claim Form should be made to:

Synchrony Securities Litigation
c/o Epiq
P.O. Box 2090
Portland, OR 97208-2090
1-877-252-5795
info@SynchronySecuritiesLitigation.com
www.SynchronySecuritiesLitigation.com

Inquiries, other than requests for the Notice and Claim Form, should be made to Lead Counsel:

Salvatore J. Graziano, Esq.
Bernstein Litowitz Berger & Grossmann LLP
1251 Avenue of the Americas, 44th Floor
New York, NY 10020
1-800-380-8496
settlements@blbglaw.com

By Order of the Court

[1] Certain persons and entities are excluded from the Class by definition, as set forth in the full Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys' Fees and Litigation Expenses (the "Notice"), available at www.SynchronySecuritiesLitigation.com.

BUSINESS OPPORTUNITIES

STOCK TRADING PLATFORM
LOOKING FOR A COMPANY
TO EVALUATE, MARKET & SELL PLATFORM

Privately Owned - Copyrighted - Own Source Code
Completely Automated - C#/API Broker Interfaced
43% +/- Per/Year Average Return - Program Set to Trade Conservatively
Live Trading - Proven & Documented Results
Every Trade Decision - Long or Short is Calculated & Executed By Program

Email: TSSLEGALSTOCKTRADINGPLATFORM@GMAIL.COM

THE WALL STREET JOURNAL.

THE MARKETPLACE

ADVERTISE TODAY

(800) 366-3975

For more information visit:
wsj.com/classifieds

© 2023 Dow Jones & Company, Inc.
All Rights Reserved.

Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Refinitiv on May 19, and year-to-date stock performance of the company

KEY: B: beneficial owner of more than 10% of a security class **CB:** chairman **CEO:** chief executive officer **CFO:** chief financial officer **CO:** chief operating officer **D:** director **DO:** director and beneficial owner **GC:** general counsel **H:** officer, director and beneficial owner **I:** indirect transaction filed through a trust, insider spouse, minor child or other **O:** officer **OD:** officer and director **P:** president **UT:** unknown **VP:** vice president Excludes pure options transactions

Biggest weekly individual trades

Based on reports filed with regulators this past week

Date(s)	Company	Symbol	Insider	Title	No. of shrs in trans (000s)	Price range ($) in transaction	$ Value (000s)	Close ($)	Ytd (%)
Buyers									
May. 9-10	**Coinbase Global**	**COIN**	F. Ehrsam	DI	810	59.33-63.24	**50,035**	56.78	60.4
May. 11-12	**DISH Network**	**DISH**	J. Defranco	DI	3,000	6.14-6.23	**18,586**	6.70	-52.3
May. 12-15	**Toast**	**TOST**	D. Yuan	DI	635	19.44-19.82	**12,534**	20.81	15.4
May. 15	**Energy Transfer**	**ET**	K. Warren	OD	1,000	12.49	**12,490**	12.76	7.5
May. 12			K. Warren	OD	500	12.27	**6,135**		
May. 15-16	**Luminar Technologies**	**LAZR**	A. Russell	CEO	1,476	6.00-6.26	**8,898**	6.27	26.7
May. 15			A. Russell	CEO	1,300	5.83	**7,575**		
May. 16			A. Russell	CEO	791	6.12	**4,842**		
May. 16-17	**Royalty Pharma**	**RPRX**	P. Legorreta	CEOI	230	32.94-33.57	**7,677**	33.71	-14.7
May. 11	**Innoviva**	**INVA**	A. Denner	BI	290	12.34	**3,577**	13.47	1.7
May. 11-12	**Inozyme Pharma**	**INZY**	R. Hopfner	DI	448	6.25-6.48	**2,850**	6.35	504.8
May. 11-12	**American Assets Trust**	**AAT**	E. Rady	CEOI	148	18.76-18.84	**2,772**	18.97	-28.4
May. 11-12	**AFC Gamma**	**AFCG**	L. Tannenbaum	CEO	243*	10.02-10.39	**2,488**	11.35	-27.8
May. 11-12			R. Tannenbaum	P	243*	10.02-10.39	**2,488**		
May. 16	**Paramount Global**	**PARA**	S. Redstone	D	165	15.06	**2,486**	15.17	-10.1
May. 17	**Axon Enterprise**	**AXON**	H. Partovi	D	10	199.66-200.24	**2,000**	196.86	18.6
May. 12	**OmniAb**	**OABI**	M. Foehr	CEO	440	3.40	**1,496**	3.86	7.2
May. 12-15	**i3 Verticals**	**IIIV**	G. Daily	CEOI	50	21.28-21.90	**1,078**	23.23	-4.6
Sellers									
May. 10	**Constellation Brands**	**STZ**	R. Sands	CBI	3,858	223.53	**862,485**	235.29	1.5
May. 10			R. Sands	DOI	3,858	223.53	**862,485**		
May. 10			Z. Stern	BI	691	223.53	**154,551**		
May. 10			A. Bennett	BI	650	223.53	**145,317**		
May. 11	**Flywire**	**FLYW**	A. Agarwal	BI	2,850	29.51	**84,104**	30.99	26.6
May. 11			M. Harris	DI	2,850	29.51	**84,104**		
May. 11			E. Salem	BI	2,850	29.51	**84,104**		
May. 12	**Airbnb**	**ABNB**	J. Gebbia	DOI	350	105.68-111.39	**37,875**	107.38	25.6
May. 15-16	**NVR**	**NVR**	P. Saville	O	5	5800.54-5858.01	**30,289**	5846.52	26.8
May. 11-12			P. Saville	O	5	5805.19-5823.51	**27,920**		
May. 12-15	**Motorola Solutions**	**MSI**	G. Brown	CEO	100	289.20-293.02	**29,083**	297.45	15.4
May. 16			G. Brown	CEOI	54	291.00-291.83	**15,591**		
May. 11	**Arcellx**	**ACLX**	J. Carroll	DI	638	45.00-46.15	**28,736**	41.41	33.7
May. 11-12	**Quanta Services**	**PWR**	E. Austin	CEO	160	171.32-176.29	**27,542**	171.71	20.5
May. 12-16	**JFrog**	**FROG**	J. Horing	DI	1,129	22.54-22.71	**25,533**	22.43	5.2
May. 16	**Alphabet**	**GOOGL**	K. Shriram	D	150*	120.01	**18,001**	122.76	39.1
May. 10	**General Electric**	**GE**	S. Strazik	O	174	99.56	**17,311**	104.26	59.5
May. 11	**JPMorgan Chase**	**JPM**	D. Pinto	P	114	135.93	**15,447**	139.18	3.8

* Half the transactions were indirect **Two day transaction
p - Pink Sheets

Buying and selling by sector

Based on actual transaction dates in reports received this past week

Sector	Buying	Selling	Sector	Buying	Selling
Basic Industries	1,666,147	7,023,081	**Finance**	21,490,675	53,415,140
Capital Goods	4,489,106	66,373,504	**Health care**	19,349,929	205,709,997
Consumer durables	1,202,284	26,372,910	**Public Utilities**	198,130	1,975,412
Consumer non-durables	3,315,233	76,781,528	**Technology**	6,564,691	362,649,035
Consumer services	7,971,261	71,102,511	**Transportation**	0	5,641,818
Energy	1,095,596	24,616,600			

Sources: Refinitiv; Dow Jones Market Data

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

May 19, 2023

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	April index level	Chg From (%) March '23	April '22
U.S. consumer price index			
All items	**303.363**	0.51	4.9
Core	**306.899**	0.47	5.5

International rates

	Latest	Week ago	52-Week High	52-Week Low
Prime rates				
U.S.	**8.25**	8.25	8.25	4.00
Canada	**6.70**	6.70	6.70	3.20
Japan	**1.475**	1.475	1.475	1.475
Policy Rates				
Euro zone	**3.75**	3.75	3.75	0.00
Switzerland	**2.00**	2.00	2.00	0.00
Britain	**4.50**	4.50	4.50	1.00
Australia	**3.85**	3.85	3.85	0.35
Overnight repurchase				
U.S.	**5.07**	5.10	5.10	0.71

U.S. government rates

	Latest	Week ago	52-WEEK High	52-WEEK Low
Discount				
	5.25	5.25	5.25	1.00
Federal funds				
Effective rate	**5.0900**	n.a.	5.1000	0.8300
High	**5.4000**	5.4000	5.4000	0.9500
Low	**5.0600**	5.0500	5.0800	0.8000
Bid	**5.0700**	5.0800	5.0800	0.8200
Offer	**5.0900**	5.0900	5.1200	0.8400
Treasury bill auction				
4 weeks	**5.370**	5.605	5.840	0.640
13 weeks	**5.060**	5.140	5.140	1.050
26 weeks	**4.980**	4.890	4.980	1.490
Secondary market				
Fannie Mae 30-year mortgage yields				
30 days	**6.167**	5.825	6.812	4.321
60 days	**6.175**	5.823	6.988	4.390

Other short-term rates

	Latest	Week ago	52-Week high	52-Week low
Call money				
	7.00	7.00	7.00	2.75
Commercial paper (AA financial)				
90 days	**n.a.**	n.a.	5.23	1.25
Libor				
One month	**5.13971**	5.10543	5.14843	0.97357
Three month	**5.39271**	5.31829	5.39271	1.50643
Six month	**5.46657**	5.34314	5.49986	2.05429
One year	**5.44457**	5.25600	5.88071	2.68157
Secured Overnight Financing Rate				
	5.05	5.05	5.06	0.69

	Latest	Value Traded	52-Week High	52-Week Low
DTCC GCF Repo Index				
Treasury	**5.075**	12.500	5.128	0.700
MBS	**5.087**	34.620	5.147	0.770

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective May 4, 2023. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective May 4, 2023. **Secured Overnight Financing Rate** is as of May 18, 2023. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

AdoptUSKids

ad COUNCIL

Allison was bawling, she turned to me and said, 'Mom, I got a D.' It was the first time she called me 'Mom.'

Lisa, adopted 16-year-old Allison

LEARN ABOUT ADOPTING A TEEN
YOU CAN'T IMAGINE THE REWARD

ADOPTUSKIDS.ORG

MARKETS DIGEST

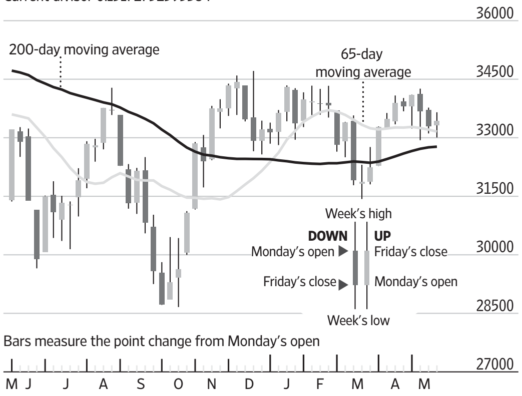
Dow Jones Industrial Average

33426.63 ▲126.01, or 0.38% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio	22.28	17.78
P/E estimate *	17.71	16.53
Dividend yield	2.14	2.32
All-time high	36799.65, 01/04/22	

Current divisor 0.15172752595384



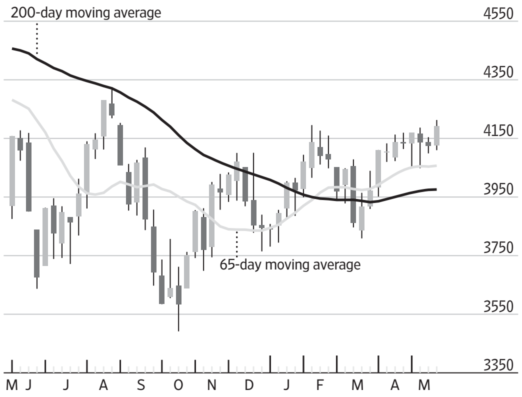
Bars measure the point change from Monday's open

S&P 500 Index

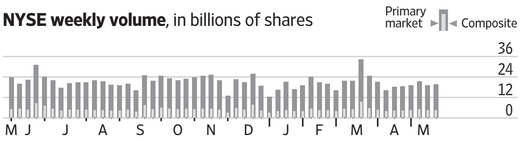
4191.98 ▲67.90, or 1.65% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio *	18.57	20.31
P/E estimate *	18.82	17.15
Dividend yield *	1.67	1.58
All-time high	4796.56, 01/03/22	



NYSE weekly volume, in billions of shares



* Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; † Based on Nasdaq-100 Index

Scan this code

Get real-time U.S. stock quotes and track most-active stocks, new highs/lows, mutual funds and ETFs..

Available free at WSJMarkets.com

Major U.S. Stock-Market Indexes

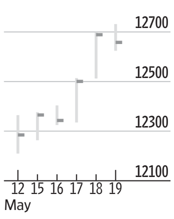
	Latest Week High	Low	Close	Net chg	% chg	52-Week Low	Close (●)	High	% chg	% chg YTD	3-yr. ann.
Dow Jones											
Industrial Average	33652.90	33006.19	**33426.63**	126.01	**0.38**	28725.51		34589.77	**6.9**	0.8	**11.4**
Transportation Avg	14077.45	13621.44	**13909.54**	126.35	**0.92**	11999.40		15640.7	**3.1**	3.9	**19.1**
Utility Average	962.83	909.38	**914.83**	-44.36	**-4.62**	838.99		1061.77	**-7.7**	-5.4	**6.3**
Total Stock Market	41977.10	40911.57	**41745.42**	688.59	**1.68**	36056.21		43441.8	**6.3**	8.4	**12.2**
Barron's 400	926.49	891.86	**915.56**	20.51	**2.29**	825.73		1023.2	**0.5**	-0.5	**13.9**
Nasdaq Stock Market											
Nasdaq Composite	12731.73	12263.35	**12657.90**	373.15	**3.04**	10213.29		13128.05	**11.5**	20.9	**11.3**
Nasdaq-100	13874.42	13297.85	**13803.49**	463.31	**3.47**	10679.34		13834.62	**16.6**	26.2	**14.1**
S&P											
500 Index	4212.91	4109.86	**4191.98**	67.90	**1.65**	3577.03		4305.2	**7.4**	9.2	**12.8**
MidCap 400	2490.11	2416.41	**2455.89**	23.16	**0.95**	2200.75		2726.61	**3.0**	1.0	**14.1**
SmallCap 600	1162.34	1116.72	**1144.79**	25.18	**2.25**	1064.45		1315.82	**-2.3**	-1.1	**15.3**
Other Indexes											
Russell 2000	1800.52	1736.16	**1773.72**	32.87	**1.89**	1649.84		2021.35	**0.0**	0.7	**10.7**
NYSE Composite	15421.80	15128.62	**15324.32**	77.96	**0.51**	13472.18		16122.58	**1.6**	0.9	**10.9**
Value Line	548.14	532.28	**542.34**	7.04	**1.32**	491.56		606.49	**-2.3**	1.1	**10.1**
NYSE Arca Biotech	5432.05	5259.44	**5417.07**	107.04	**2.02**	4208.43		5644.5	**18.9**	2.6	**-0.5**
NYSE Arca Pharma	886.35	865.06	**877.71**	-7.35	**-0.83**	737.84		892.45	**4.9**	1.1	**10.8**
KBW Bank	78.09	72.71	**76.86**	4.22	**5.81**	71.96		116.53	**-27.8**	-23.8	**4.8**
PHLX§ Gold/Silver	135.42	125.66	**127.84**	-5.68	**-4.25**	91.40		144.37	**-1.3**	5.8	**-0.4**
PHLX§ Oil Service	74.31	70.80	**73.43**	1.690	**2.36**	56.08		93.94	**-1.3**	-12.4	**35.6**
PHLX§ Semiconductor	3229.63	2971.76	**3203.49**	230.64	**7.76**	2162.32		3230.86	**11.1**	26.5	**21.7**
Cboe Volatility	18.30	15.85	**16.81**	-0.22	**-1.29**	15.78		34.02	**-42.9**	-22.4	**-18.0**

§ Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

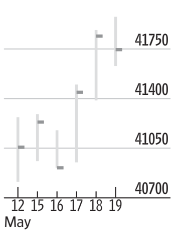
Nasdaq Composite

▲ 373.15, or 3.04% last week



DJ US TSM

▲ 688.59, or 1.68% last week



International Stock Indexes

Region/Country	Index	Latest Week Close	% chg	52-Week Range Low	Close	High	YTD % chg
World	**MSCI ACWI**	656.42	**1.11**	550.37		662.34	8.4
	MSCI ACWI ex-USA	301.56	**0.27**	244.35		308.27	7.2
	MSCI World	2842.76	**1.19**	2367.69		2847.82	9.2
	MSCI Emerging Markets	977.24	**0.44**	842.76		1077.67	2.2
Americas	**MSCI AC Americas**	1588.96	**1.54**	1363.36		1639.98	9.0
Canada	**S&P/TSX Comp**	20351.06	**–0.34**	18206.28		21031.81	5.0
Latin Amer.	**MSCI EM Latin America**	2299.84	**–0.56**	1912.59		2487.26	8.1
Brazil	**BOVESPA**	110744.51	**2.10**	96120.85		119928.79	0.9
Chile	**S&P IPSA**	3263.38	**0.17**	3021.53		3546.47	2.9
Mexico	**S&P/BMV IPC**	54296.05	**–1.19**	44626.80		55534.68	12.0
EMEA	**STOXX Europe 600**	468.85	**0.72**	382.89		469.00	10.3
	STOXX Europe 50	4075.35	**0.86**	3310.09		4079.60	11.6
Eurozone	**Euro STOXX**	463.15	**1.27**	359.45		465.19	13.0
	Euro STOXX 50	4395.30	**1.79**	3279.04		4408.59	15.9
Austria	**ATX**	3161.59	**–0.48**	2647.43		3557.01	1.1
Belgium	**Bel-20**	3736.78	**–0.11**	3313.82		3954.16	1.0
France	**CAC 40**	7491.96	**1.04**	5676.87		7577.00	15.7
Germany	**DAX**	16275.38	**2.27**	11975.55		16275.38	16.9
Greece	**Athex Composite**	1132.34	**0.85**	779.20		1136.44	21.8
Israel	**Tel Aviv**	1825.50	**1.27**	1707.57		2067.23	1.6
Italy	**FTSE MIB**	27520.33	**0.63**	20353		27949	16.1
Netherlands	**AEX**	767.10	**1.87**	630.58		771.69	11.3
Norway	**Oslo Bors All-Share**	1392.93	**0.79**	1247.07		1476.42	2.2
Portugal	**PSI 20**	6043.08	**–0.52**	5190.28		6349.21	5.5
South Africa	**FTSE/JSE All-Share**	78175.82	**–0.20**	63263.94		80791.36	7.0
Spain	**IBEX 35**	9251.50	**0.19**	7261.1		9511.0	12.4
Sweden	**OMX Stockholm**	856.16	**1.59**	690.07		886.59	9.5
Switzerland	**Swiss Market**	11571.16	**0.06**	10072.62		11736.26	7.8
U.K.	**FTSE 100**	7756.87	**0.03**	6826.15		8014.31	4.1
Asia-Pacific	**MSCI AC Asia Pacific**	162.05	**0.79**	134.3		170.5	4.1
Australia	**S&P/ASX 200**	7279.50	**0.31**	6433.4		7558.1	3.4
China	**Shanghai Composite**	3283.54	**0.34**	2893.48		3409.21	6.3
Hong Kong	**Hang Seng**	19450.57	**–0.90**	14687.02		22688.90	–1.7
India	**S&P BSE Sensex**	61729.68	**–0.48**	51360.42		63284.19	1.5
Japan	**NIKKEI 225**	30808.35	**4.83**	25716.86		30808.35	18.1
Malaysia	**FTSE Bursa Malaysia KLCI**	1428.54	**0.40**	1373.36		1570.10	–4.5
Singapore	**Straits Times**	3202.59	**–0.19**	2969.95		3394.21	–1.5
South Korea	**KOSPI**	2537.79	**2.52**	2155.49		2685.90	13.5
Taiwan	**TAIEX**	16174.92	**4.34**	12666.12		16807.77	14.4

Source: FactSet; Dow Jones Market Data

Commodities and Currencies

	Last Week Close	Net chg	% Chg	YTD % chg
DJ Commodity	**961.17**	0.17	**0.02**	-8.35
Refinitiv/CC CRB Index	**262.13**	4.21	**1.63**	-5.62
Crude oil, $ per barrel	**71.55**	1.51	**2.16**	-10.85
Natural gas, $/MMBtu	**2.585**	0.319	**14.08**	-42.23
Gold, $ per troy oz.	**1978.70**	-35.80	**-1.78**	8.74
U.S. Dollar Index	**103.20**	0.52	**0.51**	-0.31
WSJ Dollar Index	**97.06**	0.44	**0.46**	0.53
Euro, per dollar	**0.9255**	0.0040	**0.43**	-0.95
Yen, per dollar	**137.90**	2.16	**1.59**	5.17
U.K. pound, in dollars	**1.24**	-0.0002	**-0.02**	2.88

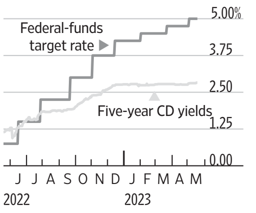
	52-Week Low	Close (●)	High	% Chg
DJ Commodity	956.11		1251.61	**-20.53**
Refinitiv/CC CRB Index	254.03		329.59	**-16.18**
Crude oil, $ per barrel	66.74		122.11	**-36.81**
Natural gas, $/MMBtu	1.991		9.680	**-68.02**
Gold, $ per troy oz.	1623.30		2048.00	**7.43**
U.S. Dollar Index	101.01		114.10	**0.05**
WSJ Dollar Index	94.09		105.14	**1.71**
Euro, per dollar	0.9038		1.0422	**-2.23**
Yen, per dollar	126.83		150.15	**7.83**
U.K. pound, in dollars	1.07		1.27	**-0.38**

Go to WSJMarkets.com for free access to real-time market data.

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

5-year CDs

Bankrate.com avg†:	**2.83%**
First Internet Bank of Indiana	**4.49%**
Indianapolis, IN	888-873-3424
Barclays Bank	**4.50%**
Wilmington, DE	888-720-8756
CFG Community Bank	**4.50%**
Baltimore, MD	888-205-8388
Popular Direct	**4.50%**
Miami Lakes, FL	800-274-5696
GTE Financial Credit Union	**4.54%**
Tampa, FL	888-871-2690

Interest rate	Yield/Rate (%) Last (●)	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**5.00-5.25**	5.00-5.25	0.75	5.25	**5.00**
Prime rate*	**8.25**	8.25	4.00	8.25	**5.00**
Libor, 3-month	**5.39**	5.32	1.51	5.39	**5.02**
Money market, annual yield	**0.53**	0.53	0.08	0.53	**0.23**
Five-year CD, annual yield	**2.83**	2.81	0.94	2.83	**2.02**
30-year mortgage, fixed†	**7.12**	6.94	5.26	7.41	**3.53**
15-year mortgage, fixed†	**6.39**	6.19	4.60	6.53	**3.41**
Jumbo mortgages, $726,200-plus†	**7.21**	6.99	5.19	7.44	**3.54**
Five-year adj mortgage (ARM)†	**5.79**	5.73	3.86	5.82	**2.57**
New-car loan, 48-month	**7.03**	7.03	4.44	7.03	**2.76**

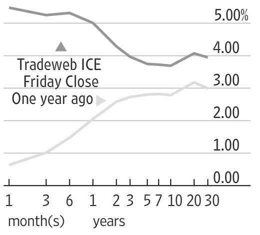
Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

Benchmark Yields and Rates

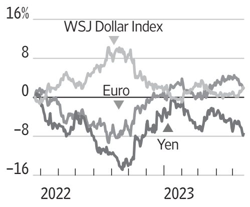
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

Bond total return index	Yield (%) Last	Wk ago	Spread +/- Treasurys, in basis pts, 52-wk Range Last	Low	High	Total Return 52-wk	3-yr
U.S. Treasury, Bloomberg	**4.040**	3.760				-2.51	-4.56
U.S. Treasury Long, Bloomberg	**4.040**	3.840				-9.99	-12.36
Aggregate, Bloomberg	**4.610**	4.370	n.a.	44	69	-2.10	-3.62
Fixed-Rate MBS, Bloomberg	**4.660**	4.490	n.a.	26	88	-2.94	-3.85
High Yield 100, ICE BofA	**8.117**	8.022	405	321	552	4.344	3.658
Muni Master, ICE BofA	**3.411**	3.156	-3	-17	11	3.020	-0.574
EMBI Global, J.P. Morgan	**7.924**	7.676	403	353	496	0.687	-1.899

Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

New to the Market

Public Offerings of Stock

IPOs in the U.S. Market

Initial public offerings of stock expected this week; might include some offerings, U.S. and foreign, open to institutional investors only via the Rule 144a market; deal amounts are for the U.S. market only

Expected pricing date	Filed	Issuer/business	Symbol/ primary exchange	Shares (mil.)	Pricing Range($) Low/High	Bookrunner(s)
5/24	2/21	Azitra Clinical stage biopharmaceutical company.	**AZTR** Nq	**2.4**	4.50/ 5.50	Fordham Financial Management
5/25	2/21	Atmus Filtration Technologies Provider of filtration products for on-highway commercial vehicles and off-highway agriculture, construction, mining and power generation vehicles and equipment, filtration business of Commins Inc.	**ATMU** N	**14.1**	18.00/ 21.00	GS, JPM, R W Baird, BofA Securities, Wells Fargo, HSBC

Lockup Expirations

None expected this week

IPO Scorecard

Performance of IPOs, most-recent listed first

Company **SYMBOL** IPO date/Offer price	Friday's close ($)	% Chg From Offer price	1st-day close
CaliberCos **CWD** May 17/$4.00	5.25	**31.3**	–12.5
Strong Global Entertainment **SGE** May 16/$4.00	3.56	**–11.0**	–4.0
Acelryn **SLRN** May 5/$18.00	22.76	**26.4**	–3.1
Alchemy Investments Acquisition **ALCYU** May 5/$10.00	10.18	**1.8**	0.7
Kenvue **KVUE** May 4/$22.00	27.23	**23.8**	1.2
Golden Star Acquisition **GODNU** May 2/$10.00	10.24	**2.4**	0.9
Interactive Strength **TRNR** April 28/$8.00	7.08	**–11.5**	7.1
Ares Acquisition II **AACT.UT** April 21/$10.00	10.17	**1.7**	1.0
Jayud Global Logistics **JYD** April 21/$4.00	3.33	**–16.8**	–33.9
U Power **UCAR** April 20/$6.00	3.81	**–36.5**	–91.2
U.S. Gold Mining **USGO** April 20/$10.00	16.00	**60.0**	74.9
Wang & Lee Grp **WLGS** April 20/$5.00	1.75	**–65.0**	–43.5
Top KingWin **TCJH** April 18/$4.00	7.77	**94.3**	85.0
Trio Petroleum **TPET** April 18/$3.00	1.59	**–47.0**	–30.0
CytoMed Thera **GDTC** April 14/$4.00	2.90	**–27.5**	–27.5
VCI Global **VCIG** April 13/$4.00	2.79	**–30.3**	–34.4
Golden Heaven Grp Hldgs **GDHG** April 12/$4.00	4.28	**7.0**	6.7
ARB IOT Grp **ARBB** April 5/$4.00	4.05	**1.3**	5.2
Ispire Technology **ISPR** April 4/$7.00	8.85	**26.4**	17.2
Millennium Grp Intl **MGIH** April 4/$4.00	1.75	**–56.3**	–45.5

Sources: Dow Jones Market Data; FactSet

Public and Private Borrowing

Treasurys

Monday, May 22

Auction of 13 and 26 week bills; announced on May 18; settles on May 25

Tuesday, May 23

Auction of 2 year note; announced on May 18; settles on May 31

Wednesday, May 24

Auction of 17 week bill; announced on May 23; settles on May 30

Auction of 5 year note; announced on May 18; settles on May 31

Thursday, May 25

Auction of 4 and 8 week bills; announced on May 23; settles on May 30

Auction of 7 year note; announced on May 18; settles on May 31

Cash Prices

Friday, May 19, 2023

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Friday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	**75.750**
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	**15.250**
Metals	
Gold, per troy oz	
Engelhard industrial	**1962.00**
Handy & Harman base	**1961.60**
Handy & Harman fabricated	**2177.38**
LBMA Gold Price AM	***1976.95**
LBMA Gold Price PM	***1960.30**
Krugerrand,wholesale-e	**2068.26**
Maple Leaf-e	**2117.74**
American Eagle-e	**2117.74**
Mexican peso-e	**2553.36**
Austria crown-e	**1943.01**
Austria phil-e	**2078.16**
Silver, troy oz.	
Engelhard industrial	**23.7000**
Handy & Harman base	**23.8660**
Handy & Harman fabricated	**29.8330**
LBMA spot price	***£18.9200**
(U.S.$ equivalent)	***23.5200**
Coins,wholesale $1,000 face-a	**22212**
Other metals	
LBMA Platinum Price PM	***1067.0**
Platinum,Engelhard industrial	**1075.0**
Palladium,Engelhard industrial	**1525.0**
Aluminum, LME, $ per metric ton	***2312.0**
Copper,Comex spot	**3.7225**
Iron Ore, 62% Fe CFR China-s	**n.a.**
Shredded Scrap, US Midwest-s,m	**n.a.**
Steel, HRC USA, FOB Midwest Mill-s	**n.a.**
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,w	**33600**
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	**32950**
BMI Cobalt sulphate, EXW China, >20.5% -v,m	**5148**
BMI Nickel Sulphate, EXW China, >22%-v,m	**4966**
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	**705**
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	**0.7400**
Cotton,1 1/16 std lw-mdMphs-u	**0.8497**
Cotlook 'A' Index-t	***97.85**
Hides,hvy native steers piece fob-u	**n.a.**
Wool,64s,staple,Terr del-u,w	**n.a.**

	Friday
Grains and Feeds	
Barley,top-quality Mnpls-u	**n.a.**
Bran,wheat middlings, KC-u,w	**133**
Corn,No. 2 yellow,Cent IL-bp,u	**5.7200**
Corn gluten feed,Midwest-u,w	**172.6**
Corn gluten meal,Midwest-u,w	**551.9**
Cottonseed meal-u,w	**378**
Hominy feed,Cent IL-u,w	**192**
Meat-bonemeal,50% pro Mnpls-u,w	**455**
Oats,No.2 milling,Mnpls-u	**3.7225**
Rice, Long Grain Milled, No. 2 AR-u,w	**37.25**
Sorghum,(Milo) No.2 Gulf-u	**n.a.**
SoybeanMeal,Cent IL,rail,ton48%-u,w	**415.10**
Soybeans,No.1 yllw IL-bp,u	**13.1300**
Wheat,Spring14%-pro Mnpls-u	**9.9650**
Wheat,No.2 soft red,St.Louis-u	**6.0350**
Wheat - Hard - KC (USDA) $ per bu-u	**8.8925**
Wheat,No.1soft white,Portld,OR-u	**7.2250**
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	**277.13**
select 1-3,600-900 lbs.-u	**258.26**
Broilers, National comp wtd. avg.-u,w	**1.4269**
Butter,AA Chicago-d	**2.4600**
Cheddar cheese,bbl,Chicago-d	**147.00**
Cheddar cheese,blk,Chicago-d	**153.50**
Milk,Nonfat dry,Chicago lb.-d	**115.25**
Coffee,Brazilian,Comp-y	**1.8812**
Coffee,Colombian, NY-y	**2.2833**
Eggs,large white,Chicago-u	**0.7750**
Flour,hard winter KC-p	**22.00**
Hams,17-20 lbs,Mid-US fob-u	**0.88**
Hogs,Iowa-So. Minnesota-u	**79.59**
Pork bellies,12-14 lb MidUS-u	**0.9926**
Pork loins,13-19 lb MidUS-u	**0.9530**
Steers,Tex.-Okla. Choice-u	**170.00**
Steers,feeder,Okla. City-u,w	**244.25**
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	**52.0000**
Grease,choice white,Chicago-h	**0.5500**
Lard,Chicago-u	**n.a.**
Soybean oil,crude;Centl IL-u,w	**0.5002**
Tallow,bleach;Chicago-h	**0.5675**
Tallow,edible,Chicago-u	**n.a.**

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 5/18

Source: Dow Jones Market Data

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Fri in US$	Fri per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0043	232.8143	**31.7**
Brazil real	.2000	5.0005	**–5.4**
Canada dollar	.7392	1.3529	**–0.2**
Chile peso	.001252	798.60	**–5.9**
Colombia peso	.000220	4535.50	**–6.5**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0562	17.7881	**–8.7**
Uruguay peso	.02577	38.8000	**–2.9**
Asia-Pacific			
Australia dollar	.6649	1.5040	**2.5**
China yuan	.1427	7.0076	**1.6**
Hong Kong dollar	.1279	7.8172	**0.1**
India rupee	.01207	82.839	**0.1**
Indonesia rupiah	.0000670	14936	**–4.1**
Japan yen	.007252	137.90	**5.2**
Kazakhstan tenge	.002231	448.20	**–3.2**
Macau pataca	.1242	8.0540	**0.1**
Malaysia ringgit	.2203	4.5385	**3.0**
New Zealand dollar	.6275	1.5936	**1.2**
Pakistan rupee	.00350	285.750	**26.0**
Philippines peso	.0180	55.649	**–0.1**
Singapore dollar	.7433	1.3454	**0.3**
South Korea won	.0007546	1325.21	**5.0**
Sri Lanka rupee	.0032568	307.05	**–16.4**
Taiwan dollar	.03267	30.605	**–0.1**
Thailand baht	.02907	34.400	**–0.6**

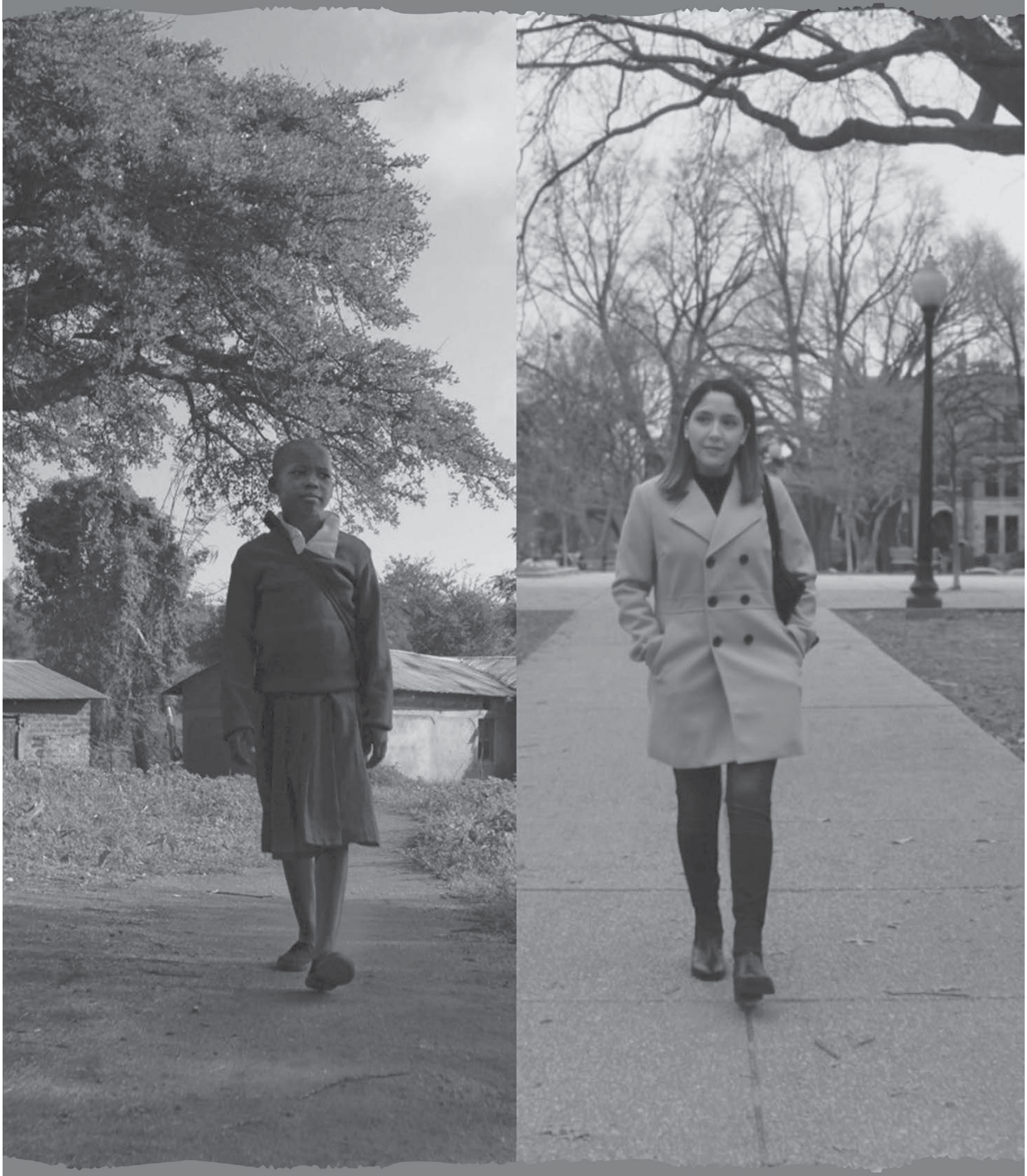
Country/currency	Fri in US$	Fri per US$	US$ vs, YTD chg (%)
Vietnam dong	.00004261	23470	**–0.7**
Europe			
Czech Rep. koruna	.04547	21.994	**–2.5**
Denmark krone	.1451	6.8923	**–0.8**
Euro area euro	1.0806	.9255	**–1.0**
Hungary forint	.002877	347.57	**–6.9**
Iceland krona	.007142	140.02	**–1.1**
Norway krone	.0919	10.8777	**10.9**
Poland zloty	.2381	4.1995	**–4.1**
Russia ruble	.01248	80.100	**8.6**
Sweden krona	.0949	10.5370	**1.0**
Switzerland franc	1.1119	.8994	**–2.8**
Turkey lira	.0505	19.8030	**6.0**
Ukraine hryvnia	.0271	36.9500	**0.3**
UK pound	1.2446	.8035	**–2.8**
Middle East/Africa			
Bahrain dinar	2.6525	.3770	**–0.01**
Egypt pound	.0324	30.8992	**24.8**
Israel shekel	.2739	3.6507	**3.6**
Kuwait dinar	3.2556	.3072	**0.4**
Oman sul rial	2.5974	.3850	**unch**
Qatar rial	.2747	3.640	**–0.7**
Saudi Arabia riyal	.2667	3.7497	**–0.2**
South Africa rand	.0514	19.4513	**14.2**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	97.06	–0.33	–0.34	**0.53**

Sources: Tullett Prebon, Dow Jones Market Data

Let's walk together.

It makes things better.



You connect with her, and she connects with what she needs to grow up healthy, educated and safe.

When we all connect, we make things better for millions of children around the world. And their families. And their communities. And their countries. And you.

Come walk with us. Together we can all get to a better place.

ChildFund®

1-800-776-6767 | ChildFund.org

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Icahn Is No Saint, but Illumina Can Use a Flawed Savior

Activist's effort to shake up company is still in the interest of shareholders

T. NARAYAN/BLOOMBERG NEWS

Icahn intends to breathe new life into the gene-sequencing-machine maker's stock.

As Carl Icahn's activist campaign against **Illumina**'s board comes to a head, the battle has taken a surprising plot twist: The activist investor himself has come under attack by short seller Hindenburg, which argues his own listed company is "Ponzi-like."

Icahn's proposal to Illumina shareholders is that he can help breathe new life into the gene-sequencing-machine maker's battered stock price, so a precipitous drop in his own company's shares—along with a federal investigation—isn't a good look ahead of Illumina's shareholder meeting on Thursday.

Yet Icahn's bid to shake things up has plenty of merit. Back in March, Icahn nominated three people to Illumina's board, claiming in a withering letter that management had recklessly closed the purchase of Grail, which develops blood tests for cancer detection, despite facing antitrust resistance from regulators.

Icahn recently received strong support from proxy firm Glass Lewis, which advised shareholders to replace Chief Executive Francis deSouza and Chairman John Thompson at the board with two of his candidates. Corporate governance adviser ISS backed only one Icahn candidate, Andrew Teno, to replace chair Thompson, arguing in its report that replacing deSouza as a director would be excessively disruptive.

In recent weeks, there has been plenty of mudslinging. Illumina contended that Icahn's nominees are unqualified and essentially his lackeys. They have offered a colorful example to back that assertion, claiming Icahn told them he "would not even support Jesus Christ" over his nominees because "my guys answer to me."

Icahn, for his part, has made insinuations that aren't always fully backed by evidence, such as arguing there was an ominous motive behind the board's decision to seek extra personal liability insurance before the Grail deal, and referring to uncorroborated allegations of insider self-dealing made on a blog, even as he acknowledged that "we have no idea if any of the allegations in these pieces are true."

Looking past the tit-for-tat allegations, there is a practical case for change at the board. At the heart of it, the company committed a grave error by closing the $7.1 billion deal. It is now battling the European and U.S. antitrust authorities to overturn their rulings. On this basis alone, Glass Lewis notes, "there is already compelling cause to suggest the board would benefit from the inclusion of a shareholder advocate at this time."

Making the optics worse, the board has boosted deSouza's compensation even as Illumina's financial results have been weighed down by hundreds of millions of dollars in annual losses from Grail. He was awarded nearly $26.8 million in total pay in 2022, nearly double the $14.3 million he received in 2021. Glass Lewis gave Illumina an F grade for its pay-for-performance measure.

These decisions have put a spotlight on the longstanding relationship between deSouza and Thompson. Thompson was at the helm of Symantec when the software company purchased IMlogic, a company founded by deSouza. Soon after deSouza became CEO of Illumina, Thompson became chairman.

"Unfortunately, the board's credibility with shareholders has been undercut by management compensation that is not aligned with performance and a longstanding relationship between the CEO and Chairman, which taken together imply that the board has a problem holding management accountable," wrote ISS.

Glass Lewis criticized the "optics surrounding the historical relationship...including shared employment and a significant windfall for Mr. deSouza by virtue of a strategic acquisition which necessarily fell under Mr. Thompson's prior executive oversight."

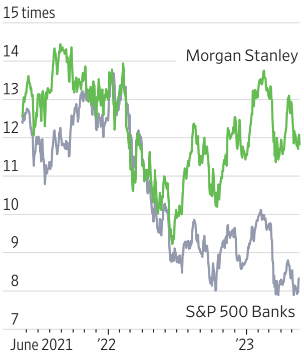
Illumina has argued that allowing Icahn's people to join the board will cause harm. "Icahn's attempt to position his associates as street-smart financial experts is, like most of his campaign, nonsensical," the company wrote earlier this month. "His nominees have no successful operating experience in senior management roles, unlike many of Illumina's directors (including those he is seeking to replace)."

But as Glass Lewis notes, seven of nine Illumina board members already possess life sciences and innovation expertise. So why not bring in people who are prepared to ask tough questions regarding broader business strategy?

Hindenburg's allegations weaken Icahn's hand, not the merits of his case against Illumina's management. *—David Wainer*

Gorman's Tenure at Morgan Stanley Is a Tough Act to Follow

Forward price/earnings ratio



Source: FactSet

Succeeding a star chief executive can always be tough. In the case of **Morgan Stanley**, it could be doubly so.

In the wake of his announcement Friday that he will retire as chief executive within the year, James Gorman has rightly received plaudits for his highly successful tenure at the Wall Street institution.

As has been widely noted, the executive's emphasis on growing wealth management stabilized the firm's results, making them less prone to risks from market fluctuations.

Look no further than the most recently reported quarter. Morgan Stanley's investment banking, equity and fixed income-trading revenue all declined sharply from a year earlier, while wealth-management revenue rose 11%.

This resilience has fueled stock-price strength. Since Gorman started as CEO on Jan. 1, 2010, Morgan Stanley shares have posted a total return of 260%, according to FactSet. That easily beat **Goldman Sachs** at 139% and the S&P 500 banks subindex at 216%, though it does trail **JPMorgan Chase**'s return over the period of 373%.

But with wealth management now accounting for nearly half of revenues, this is a trick that can't be repeated.

It is also one that competitors have caught onto.

Goldman Sachs's foray into retail banking has been bumpy, but wealth management remains an area it aims to grow in, not just in the U.S. but also in Europe and Asia.

And JPMorgan Chase has just gotten a boost for its wealth-management franchise with the acquisition of First Republic.

Should First Republic clients bring all their assets over to JPMorgan, it would add $290 billion to the $2.59 trillion that JPMorgan manages for wealthy clients. That would still fall well short of Morgan Stanley's $4.56 trillion of client wealth assets at the end of the first quarter, but the direction of travel is clear: Competitors won't cede this lucrative area to Morgan Stanley.

Morgan Stanley shares now trade at 11.8 times forward earnings, according to FactSet, a premium of more than 40% to the S&P 500 banks subindex. A decade ago they traded at a premium of just 5%.

Goldman now trades at 9.4 times forward earnings, and JPMorgan Chase at 9.8 times.

At those prices, it might be a better bet that one of its rivals steals a step on Morgan Stanley than that it continues to leave them in the dust.

—Aaron Back

MARKETS

China's Wavering Recovery Reverses Copper Rally

By Bob Henderson

COMMODITIES

A sputtering recovery in China dragged copper prices to a five-month low, delaying one of the most widely anticipated bull runs in commodity markets.

Copper's benchmark futures contract closed Friday at $8,272 a metric ton, down 6.9% over the past month. The decline cut short a 35% run-up in prices between July and January that included the strongest January performance in two decades.

Copper is a key material for home-building and electronics, and its price is often looked to as a barometer of economic health. Its rally early this year was fueled by expectations that China—the world's largest consumer of commodities—would see a manufacturing and construction boom after the country abandoned its zero-Covid policy.

Then, recent data showed that consumer prices in China rose at their slowest pace in two years in April and that new yuan loans issued by Chinese banks were lower than market expectations. More data released last Tuesday revealed that retail sales, factory production and fixed-asset investment also fell short of forecasts.

Further depressing copper prices is resolution of the supply disruptions that buoyed prices early this year. The specter of a recession and worries about a debt-ceiling crisis in the U.S. also are weighing on commodity prices across the board.

"We have negativity coming from all the different sides," said Sudakshina Unnikrishnan, a commodities analyst at Standard Chartered Bank.

Meanwhile, supplies are starting to swell. Chile and Peru, which between them supply more than one-third of the world's copper, in March exceeded last year's combined production in the same month by 5%. The resolution of a royalty dispute between copper producer **CMOC Group** and the Democratic Republic of the Congo could also unblock exports and switch this year's supply-demand balance from a deficit to a surplus, according to TD Securities.

Already, markets are flashing a warning sign of an oversupplied market. Physical copper is trading at the steepest discount to futures prices since 2017, said Standard Chartered's Unnikrishnan.

Speculators have started to sour on the metal. The volume of wagers on copper price declines in the futures and options markets exceeds that of their bullish bets by the most it has since last August, according to Commodity Futures Trading Commission data for the week ended May 9.

> **6.9%**
> Decline in copper's benchmark futures over the past month

Some quantitative traders, who place bets using trend-following computer algorithms, over the past month amassed a short position that is about 24% of the maximum their strategies permit, estimates TD Securities. That means they can still sell a lot more if certain price triggers, which are slightly below current prices, are breached.

"The bar for additional selling is really low at the moment," said Daniel Ghali, a commodities strategist at TD Securities. "It really won't take much more than simple day-to-day noise to catalyze that selling activity."

Shares of copper producers are no longer this year's winners, with many lowering copper production in the first quarter from a year ago. U.S.-listed shares of **Freeport-McMoRan** declined 6% this year; Australian-listed shares of **BHP** have fallen 3.2% and London-listed shares of **Glencore** have slumped 21%. In comparison, the S&P 500 is up 9.2% this year.

Still, the continuing transition away from fossil fuels is bolstering copper's longer-term prospects.

Electric vehicles, wind farms and solar panels use more of the metal than their traditional counterparts. Growing demand for copper also is expected to lead to a deepening supply shortfall, pushing up prices.

By sometime next year, Goldman Sachs analysts expect copper to surpass its record and hit $11,000 a metric ton as economic activity rebounds. By 2025, Citibank strategists think the price could reach $15,000.

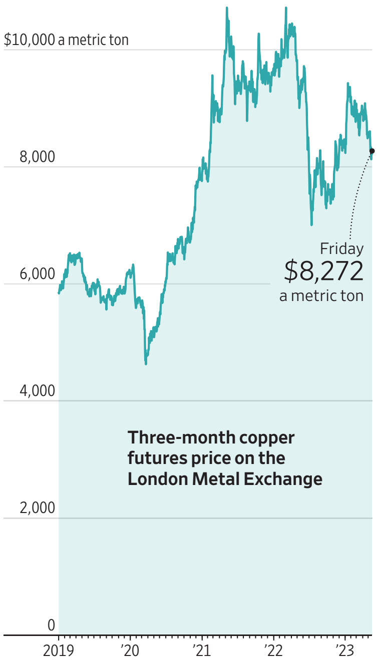
For now, copper's tumble appears to be signaling the potential for a sharp decline in global activity over the next six months, said Luke Kawa, asset-allocation strategist at UBS Asset Management. But he noted this economic cycle has mixed signals that make it hard to know what the price of copper signifies.

"This is just a completely different beast, and some of the correlations that have held during past rebounds are certainly not holding now," Kawa said.

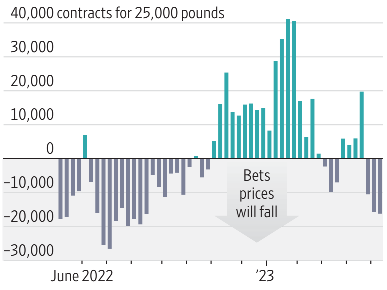
—Hardika Singh contributed to this article.

FEATURE CHINA/BARCROFT MEDIA/GETTY IMAGES

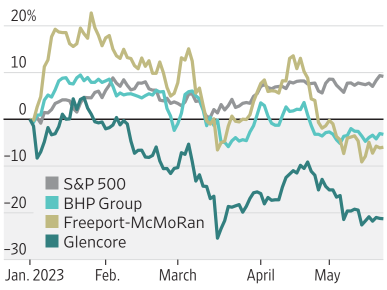
The metal's rally early this year was fueled by expectations that China would see a manufacturing and construction boom after the country abandoned its zero-Covid policy.



Net positions in U.S. copper futures and options*



Share-price and index performance this year



*Weekly data, through May 9

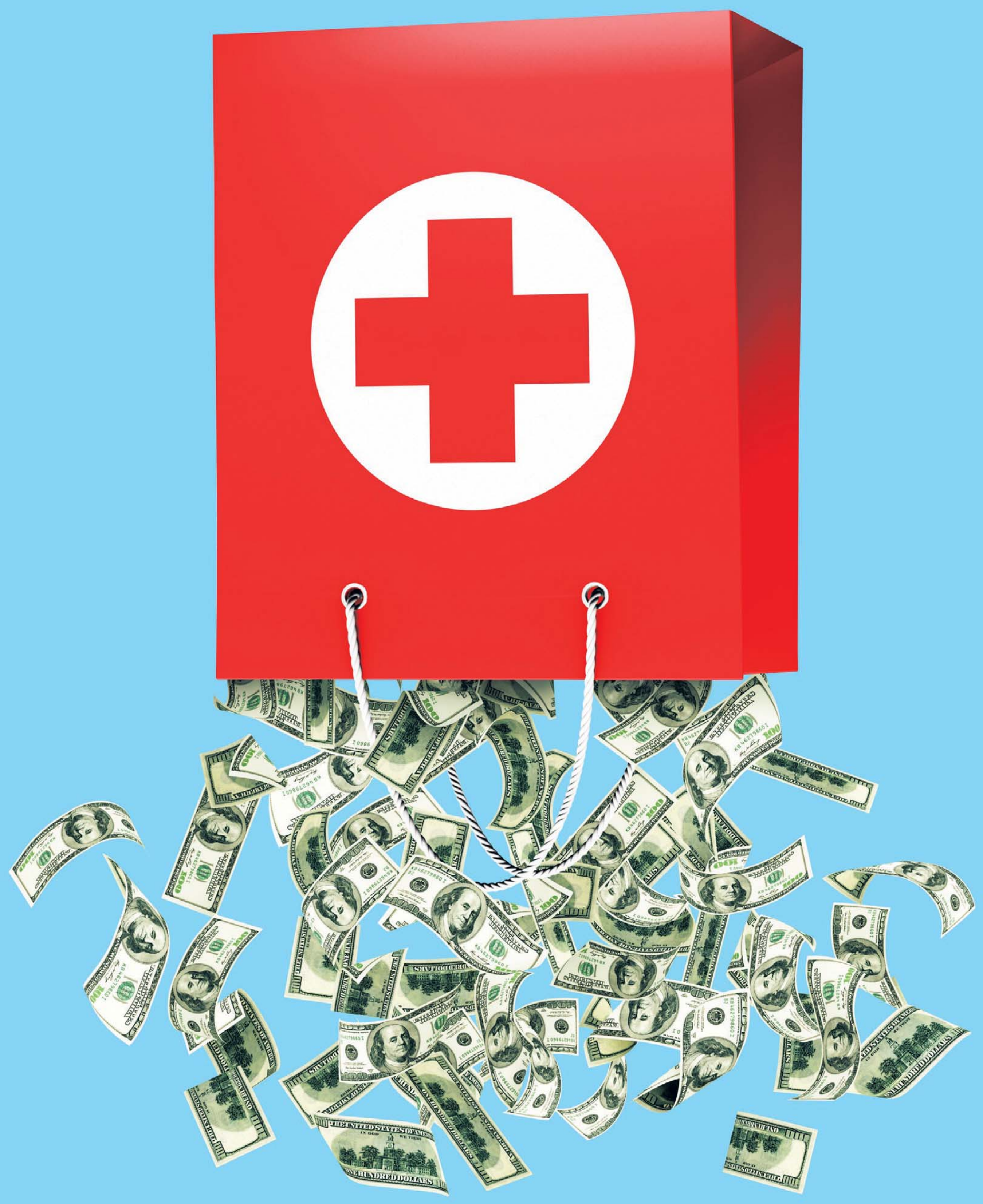
Sources: FactSet (futures, performance); Commodity Futures Trading Commission (net positions)

JOURNAL REPORT

WEALTH MANAGEMENT

© 2023 Dow Jones & Company. All Rights Reserved.

THE WALL STREET JOURNAL.



MATT CHASE

How to Pick The Right Healthcare Plan

Many people choose poorly—in part, because it's easier to just keep the plan they've always had

By Amitabh Chandra

EVERY FALL, during open-enrollment period, over 100 million families can choose a health plan. Anyone who receives health insurance through their employer, Medicare, Veterans Affairs, the exchanges—including members of Congress, CEOs, teachers—is invited to participate in this national ritual.

The decision, which has enormous implications for our health and finances, is horrendously complex. And we are universally terrible at it.

People choose plans that don't fit their situation based on bad assump-

Please turn to page R4

__Amitabh Chandra__ is a professor of business administration at Harvard Business School and a professor of public policy and director of health-policy research at the Harvard Kennedy School of Government. He can be reached at __reports@wsj.com__.

What to Ask When You Choose an Estate Trustee

Do you pick a friend? A family member? A professional?

By Cheryl Winokur Munk

ESTATE PLANNING can be complicated, and naming a trustee is one of the trickiest parts.

If you choose a friend or family member, the person must be trustworthy and up to the task. If you choose a professional, there can be cost and other considerations.

Trusts often are used for estates that have significant assets, a complicated financial situation, or when there are minor children, or children or grandchildren with special needs involved. Trusts allow individuals to exercise greater control over how and when their money is disbursed to heirs, even long after they are deceased—rather than leaving money outright to a beneficiary in a will.

Whether you have a living trust—which outlines your wishes for your estate, helps avoid probate and becomes irrevocable after your death—or a trust within a will, picking a trustee is one of the most important decisions you can make because of the power that person holds.

With that in mind, here are four questions to consider:

• **Does a potential trustee have the financial know-how?** When choosing a trustee, people generally factor in age, the relationship and how close the person is to the

Please turn to page R2

Inside

INVESTOR OUTLOOK

How your personality affects your stock-trading habits. **R3**

Scan this code to learn what happens if you die without a will, and why most Americans lack one.

TAXES

What you need to know if you are amending your returns this year. **R5**

YOUNG MONEY

Going back to the office has upended our personal budgets. **R6**

Whom to Pick as a Trustee?

Continued from page R1

eventual heirs, especially if minors are involved. But sometimes little is known about a potential trustee's money-management skills.

Find out, estate-planning attorneys say. Trustees are responsible for making financial decisions related to the assets held in trust. Responsibilities can include investing the money held in the trust or hiring a professional for that purpose. A trustee could be also be responsible for running business interests held in the trust or managing other assets held in trust, such as an apartment building.

Candidates should be willing to serve in the role in a continuing capacity and be able to handle what could be complicated financial duties. It could a six-month to yearlong commitment if all the trustee needs to do is liquidate assets for the benefit of adult children, says Patrick Simasko, an elder law and estate planning attorney with Simasko Law in Mount Clemens, Mich. But the responsibilities could go on for years, especially if minor children are involved or there are complicated financial situations such as grandchild who will inherit money years down the road, he says.

Parents often decide to name their oldest child as trustee. But a younger sibling might have a more solid financial background. Simasko offers the example of a couple who wanted to name as trustee the oldest son who is in the military and travels around the world. Instead, Simasko recommended their younger daughter, who lived locally, as she would be more available to perform duties such as meet with a real-estate agent and go to the bank to get accounts switched over to her as trustee. "Pick the one that is the best for the job," he says.

Also consider whether the candidate seems prepared if there are large amounts of money in the trust, says Diedre Braverman, principal attorney with Braverman Law Group in Boulder, Colo. A 20-something with few personal assets, for example, isn't likely to have the experience necessary to evaluate financial professionals that might need to be hired.

A good trustee should be comfortable supervising and working with financial professionals, which can include attorneys, accountants, financial advisers and property managers, Braverman says.

• Should I consider co-trustees?

Sometimes people are willing to overlook a lack of experience or a weak skill set because the trustee candidate they have in mind has a good relationship with the heirs, or is particularly close to the family, which can be helpful when making monetary decisions. In those cases, it can be especially helpful to have a co-trustee, possibly a professional trustee, such as a bank or trust company.

Two people acting as co-trustees have to act unanimously, which can be advisable for check-and-balance purposes. A co-trustee can also be advisable for accountability purposes when one trustee is a solo practitioner such as a family attorney or accountant.

Having a co-trustee, however, can be difficult in cases where the parties don't work well together. "If you pick two sisters who can't be in the same room, it is a nightmare to administer the trust," Simasko says. In that case, it might be better to pick an impartial trustee, even if it means hiring a professional. Appointing a "trust protector," someone to supervise the trustee, might also be an option to help guard against misuse of funds, he says.

• When should I consider hiring a professional?

There can be many reasons to hire a professional trustee such as a bank or trust company, or a private professional trustee that offers their services full-time. In some cases, a trust can last for about 100 years, or for three generations. Banks or trust companies are in a better position to be able to provide continuity and adjust to changes, says Laurie Israel, a solo practitioner in Plainfield, Mass., who frequently reviews trusts.

Additionally, Israel says, many trusts provide interest and dividends for the surviving spouse, while the remainder of the trust assets go to the ultimate beneficiaries. Often, these marital trusts provide ongoing discretionary principal payments for the health, education, maintenance and support for the surviving spouse, which can conflict with the interests of the ultimate beneficiaries. The latter might want to emphasize preservation and growth of capital. This is the type of conflict that may be best handled by a professional trustee, Israel says.

Another reason to hire a professional is when family conflicts are likely to arise. Simasko offers the example of a heroin addict who incessantly bugged his aunt, the trustee, for money. In situations like this, using a professional can help preserve family relationships while ensuring that distributions are made appropriately, Simasko says. "It's easier for the professional to say no," he says.

• Which type of professional should I choose?

Using a bank is generally better for large trusts—around $5 million and higher. Having dedicated trust administration can offer peace of mind that the estate will be handled appropriately for a long time. Trust companies or private professional fiduciaries may be more appropriate for trusts in the $1 million to $5 million range, Braverman says.

Most banks and trust companies generally charge between 0.5% and 2% of the overall value of the trust they are administering, for services such as filing an annual tax return, detailed accounting of everything that goes in and out of the trust, communicating with beneficiaries and investing, Braverman says. Alternatively, banks and trust companies might charge a minimum fee of typically between $2,500 and $5,000 to cover their administrative costs.

For reasons that include cost, a private professional fiduciary could be a better option for smaller estates. These professionals typically charge an hourly rate, which can be around $150 an hour, and investment-management expenses—charged by a third party—are paid for from the trust, Braverman says.

Before choosing a professional trustee, find out how easy they are to reach by phone, Israel says. "You want to find people who you can work with who are accessible."

Cheryl Winokur Munk is a writer in West Orange, N.J. She can be reached at reports@wsj.com.

SONIA PULIDO

42%

Percentage of people surveyed who haven't gotten around to creating an estate plan

Source: Caring.com 2023 survey

The Game Plan

He Spent Years Helping His Mother. Now He Needs to Figure Out His Finances.

By Demetria Gallegos

Michael Estrada is thinking about himself, for a change.

The 47-year-old community-college professor spent years caring for his mother. As her physical and mental health grew worse, it wasn't feasible to move her into his Berkeley, Calif., apartment. So he got a larger, more affordable place in Modesto.

Estrada took two years away from full-time work, and became an advocate for people with serious, untreated mental illness, creating a blog and producing a documentary about his mother. Like many unpaid family caregivers, in addition to his lost wages, he spent tens of thousands of dollars on his mother's legal and medical bills. She passed away in 2018 and he is grateful she was with family.

"I can live with myself better," he says.

But when Estrada returned to Berkeley, he says he realized: "I'm never going to own a home. I've been priced out of the Bay Area at this point."

He earns about $90,000 a year, or about $5,745 a month in take-home pay. Asked about his current monthly spending, he gives a rough estimate as follows: $1,700 in rent; about $700 for groceries and eating out; about $400 for entertainment and social expenses; $200 on aikido, a martial art; $125 for healthcare-insurance premiums; and an average of $350 a month on his dog, Titan. For a new car, on which he owes $22,560, he pays about $400 a month—the same amount he previously paid each month for student-loan debt that in 2021 was forgiven. He also spends about $400 a month on gas, tolls and parking, and $95 for car insurance.

Until recently, Estrada had nothing left over each month, but his financial situation since his mother's death has improved. He says excess funds have been piling up in his checking account, to a current sum of about $17,000. He has no debt apart from his car loan.

His retirement-savings plan consists mainly of a pension from the California State Teachers Retirement Program. It is projected to pay him $2,670 a month if he retires at age 55; $4,748 if he retires at 60. He has $118,605 in a deferred-compensation account, similar to a 401(k).

Estrada says he dreams of living in Fresno, helping his dad take care of several properties he owns and getting the chance to fish together. The main question in his mind is: How soon can he step away from teaching full-time and start his next chapter?

• Advice from a pro: Estrada has done an excellent job of staying out of debt and keeping cash on hand, says Vanessa N. Martinez, a Chicago-based wealth planner and co-founder of Em-Powered Network, which focuses on wealth-building through mentorship.

She would like to see him take most of the cash that's in his checking account and put it in a high-yield savings account—earning 3% to 4% interest.

Then, he might want to begin a formal savings program in line with his current budget, ideally setting up automated payments. If he invests $700 a month into accounts that earn 7% a year—which she describes as an historically conservative return—in 13 years he'd have $180,000, or $70,800 in earnings on the $109,200 he would be depositing.

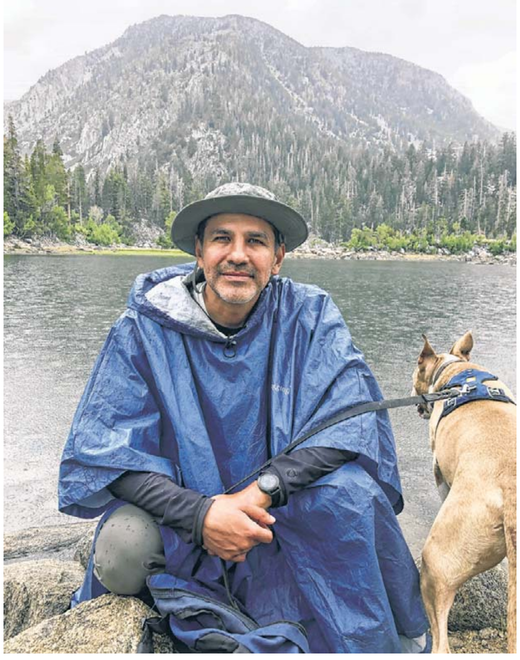
With the $8,400 Estrada would be saving each year, Martinez advises that the first $6,500 go in an IRA or a Roth IRA and the rest into a brokerage account.

She encourages Estrada to teach until age 60. By then, his inflation-adjusted monthly costs might be $7,000. But with a pension of $4,748, he would have a monthly gap of about $2,252 that he could cover using the investment accounts.

His expenses could be much lower if he lives with his dad, she says. And he should plan to cover 30 years of retirement-living expenses.

Martinez urges him to talk to his father about helping manage the property and about what the financial picture would look like if they teamed up in Fresno. What they agree on can inform how long Estrada may want to stay in his tenured teaching role, she says.

Demetria Gallegos is a news editor for The Wall Street Journal in New York. Email her at demetria.gallegos@wsj.com.



Michael Estrada hopes to eventually move closer to his father in Fresno, Calif.

ANASTASIA FIANDACA

Do Neurotics Buy Less Stock?

A new study suggests that personality traits may have a major effect on people's investing habits

By Lisa Ward

ANNA PARINI

CAN CERTAIN personality traits explain investors' risk tolerance and investment decisions?

A forthcoming paper suggests it might.

Specifically, the authors found that two personality traits—neuroticism and openness—significantly affect how investors perceive the economy, financial markets and their likelihood to buy stocks or stock funds, with those who are less neurotic and more open tending to have a higher allocation to equities.

While the authors primarily studied investors in the U.S., they also identified similar patterns among investors in Germany, Australia and China.

The Wall Street Journal spoke with two of the paper's co-authors, Hongjun Yan, a professor of finance at DePaul University's Driehaus College of Business, and Cameron Peng, an assistant professor of finance at the London School of Economics, about their findings. Zhengyang Jiang, an associate professor of finance at Northwestern University's Kellogg School of Management, is the paper's other co-author.

Here are edited excerpts of the conversation.

• WSJ: How can psychology theories help to explain investor behavior?

• **YAN:** Investors often have very different portfolios. Traditionally, economists focus on risk aversion and market expectations, but in this paper we argue that well-known personality traits—extroversion, agreeableness, openness, conscientiousness and neuroticism—provide a new dimension to explain investors' choices.

In the Winnie-the-Pooh stories, Tigger is always excited and optimistic while Eeyore is always down and pessimistic. You might expect their investment portfolios to look very different and reflect their overall outlook.

• WSJ: How did you study this topic?

• **PENG:** We collaborated with the American Association of Individual Investors, administering a survey to over 3,000 of its members. We collected information on their personality traits, market expectations and investment decisions. The AAII sample is predominantly wealthy, white, older men. And when they make investment decisions, they are usually quite big, involving hundreds of thousands or even millions of dollars. Their actions can have a real impact on the market.

• WSJ: What did you find?

• **YAN:** We found that neuroticism and openness are correlated with investors' beliefs about the market and their likelihood to buy equities.

We were surprised that agreeableness wasn't important when it comes to investment beliefs or decisions since other researchers have found that agreeableness tends to be correlated with other economic outcomes, like success in negotiating wages.

• WSJ: How does neuroticism affect investors' decisions?

• **YAN:** Someone who is more neurotic has a very different outlook than someone who is not in terms of stock-market expectation. For example, an investor ranking in the middle of the [neurotic] scale might expect an annual stock-market premium of about 6%. But investors at the top of the scale are likely to only expect a 4% stock-market premium, while investors at the bottom of the neuroticism scale are likely to expect an 8% stock-market premium.

• **PENG:** Neuroticism also affected how respondents invested their money in their actual accounts. More neurotic investors were less likely to own equities. Very neurotic investors invested about 56% of their portfolio in equities, while investors who weren't neurotic invested about 64% of their portfolio in equities.

• WSJ: How does openness affect investors' decisions?

• **PENG:** Investors ranking high for openness were more likely to entertain the possibility of extreme events, like a market crash or a run—really any scenario when the market goes up or down by more than 20%. Investors who were very open were somewhat more likely to take risks by buying equities. Specifically, investors who were the most open were 3 percentage points more likely to own more equities than investors who weren't. They had about 62% of their portfolio in equities, while investors who were less open had about 59% of their portfolio in equities.

• WSJ: What are the study's implications?

• **YAN:** Personality traits may shape investors' decisions in ways that many economists have yet to seriously consider. Our research, for instance, also suggests more extroverted and more neurotic investors' investment choices could be highly influenced by social interactions, or what their friends or colleagues are doing.

• **PENG:** Large asset-management firms or financial planners could spend time getting to know their clients' personalities and use those insights when they make investment recommendations. Maybe they could encourage investors who tend to be neurotic to be a little less pessimistic.

Lisa Ward is a writer in Vermont. Email her at ***reports@wsj.com.***

How to Pick The Right Healthcare Plan

Continued from page R1

tions and predictions, or they don't choose at all, blindly staying with what they have done in the past. No matter what the mistake, they end up paying a lot more than they should, potentially costing themselves thousands of unnecessary dollars a year. In the end, in fact, for most people one simple type of plan makes the most sense, with some important caveats.

✚ Why do we make mistakes?

It isn't entirely our fault that we make unwise choices. Healthcare providers don't make it easy to figure out what they are offering us, whether it's the breadth of coverage—what hospitals, physicians and treatments they cover—or the quality of those hospitals and doctors. What's more, open-enrollment materials are punctuated with misleading expressions that suggest value, such as “platinum plan” and “enhanced benefits,” which nudge us to pick more expensive options than we need.

We're also confronted by language that we're unfamiliar with. Plan materials are littered with jargon like actuarial value, specialty tiers, coinsurance, out-of-pocket maximums, as well as a word salad of acronyms—HMO, PPO, POS, PDP and HSA. Only 14% of us are able to correctly answer simple questions about these concepts, and they are central to choosing wisely.

Then there are the subtleties we're supposed to understand. For instance, oral medicines for cancer or multiple sclerosis are covered by a prescription-drug plan, but infused medicines for the same diseases are by a medical benefit. Most doctors, other than the ones treating multiple sclerosis or that particular cancer, wouldn't know the distinction. How would we?

✚ Go with the flow

All of this complexity and obfuscation leads to the first basic mistake many of us make when choosing a plan: We don't actually choose at all.

When faced with open enrollment, many of us succumb to inertia and keep the plan we already have. Inertia costs us money because there is often a more generous plan that is also cheaper than the one we're in. One study estimates that employees are paying 40% more for their premiums as a result of inertia (this amounts to $2,400 a year for a family).

The other big mistake we make doesn't have to do with the opacity of health plans. We're simply not good at predicting what we need.

To choose the right plan, we need to forecast what our healthcare needs will be for the following year. This is relatively easy for persistent healthcare needs, like medicines for chronic diseases such as hypertension, and one-off events like the birth of a child. But our ability to predict the unexpected is, frankly, terrible. It is all too easy to rely on a mental shortcut where we visualize a nasty medical condition—a rare cancer or a birth that requires a Level 4 NICU—that would require expensive coverage. Maybe we saw something similar in a movie, read about it in a story or heard it from somebody else.

These emotional choices are known as the availability heuristic in economics. Most of us believe that the likelihood of being bitten by a shark is more likely than being hit by a falling airplane part, but the risk of the latter is about 30 times greater.

The result is that we often choose a pricey, low-deductible plan that seems to cover every contingency. Such a plan may be worth the extra spending—often about $800 a year more for a family—if you need broad access, but most of us don't.

It is also important to remember that a less-expensive, high-deductible plan will cover contingencies that we fear, like shark bites, being hit by falling airplane parts, level 4 NICUs and rare cancer treatments. What it won't cover is every provider in your city, and that isn't a bad thing if some of these providers are expensive without being better.

Sometimes we don't even get the benefits we assume we will with an expensive plan. In one famous study, economists studied how consumers chose between one of those pricey plans and a lower-cost option. Enrollees thought that the expensive plan had broader access to providers than the lower-cost one—when in reality the latter option offered the same providers and treatments.

And remember that the $800 mentioned above is just an average. Those who selected one particular employer plan paid over $3,000 more than the less-expensive option (in current dollars) for an imaginary benefit.

36%
Insured adults worried about affording monthly health-insurance premiums

44%
Insured adults worried about affording their deductible before health insurance kicks in

Source: KFF Health Tracking Poll, March 2022

✚ Avoiding the mistakes

There is a very simple strategy for getting around these errors. The first step is obvious: Choose a plan instead of succumbing to inertia. The second step is to realize that for most people, there is one type of plan that will work just fine.

We often choose a pricey, low-deductible plan that seems to cover every contingency.

Say you are covered by your employer and are relatively healthy—you have no chronic conditions and don't anticipate needing a medical procedure that exposes you to high out-of-pocket spending, like a joint replacement in the next year. In this case, the best choice is a high-deductible health plan (HDHP) paired with a health savings account (HSA).

Let me explain why.

High-deductible plans come with, obviously, high deductibles—typically around $4,500 for a family. But as we have seen, the premiums might run $3,000 lower for a family than a preferred-provider organization (PPO) plan, which carries lower deductibles.

The high deductible often scares people away, as does the prospect of shopping for in-network healthcare. But the number to focus on isn't the deductible—it's the premiums. Remember, an HDHP might well save a family as much as $3,000 a year in premiums relative to a PPO plan, so that is $3,000 toward our $4,500 deductible right there.

Then there is the health savings account, a fund that lets you contribute pretax money that can be used for healthcare costs and then withdraw it without a tax penalty. Employees and employers can contribute up to $7,750 to an account annually.

That employer contribution is crucial. Many employers give over $1,000 for families, with employers who have fewer than 200 employees often contributing twice as much as larger firms. All that money can go toward meeting the deductible. We have already gotten $3,000 closer by reducing our premiums, so our employer's donation will give us another $1,000. All of a sudden, the effective deductible is down to $500.

What's more, money in an HSA carries over indefinitely, even after we change jobs, or stop being in an HDHP, allowing us to have cash on hand when we do have a large medical bill or need nursing care. It can also be used for any purpose, not just health expenses, after the age of 65 (but you will pay taxes if you use HSA money for non-health spending).

Given the large medical needs we have as we get older, and the growing likelihood that we will need high-quality nursing care, this seems like a wise investment in our well-being and our family's well-being. In contrast, with a low-deductible plan, we have no financial reserve for when we really need money for healthcare, which is the same as having less coverage.

✚ Triple tax benefits

All of this adds up—especially because you can put HSAs into mutual funds. If your family invests $5,000 a year via an HSA for the next 25 years, and earns the historical stock-market average over the past 25 years, you would have $550,000 to spend on your family's care.

But isn't it better to put savings into a 401(k)? The HSA offers triple tax benefits—the money that you put in isn't taxed, the money grows tax-free, and you don't pay taxes on it when you finally use it. The last two aren't true for 401(k) savings.

Don't forget the tax savings from putting money in the HSA. If you're in the 30% bracket, and you put away $5,000, you have saved $1,600 that would otherwise have gone to taxes. Once again, this money would get you a long way toward your annual deductible.

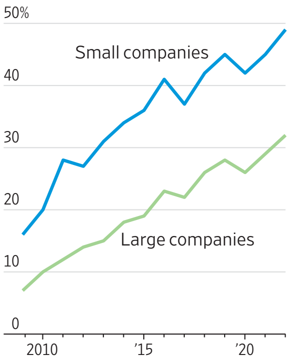
Remember one important caveat, however: If you're sure to spend over the deductible, other plans may be more appropriate for you, such as the PPO plan that will cost you an additional $800. (You forgo the ability to save, but you also face a lower out-of-pocket maximum.) For instance, if you know with reasonable certainty that you need access to a more-expensive provider for a one-time procedure, then you should pick a plan that gives you this access, such as a PPO plan, and switch back to an HMO plan with an HDHP-and-HSA option during next year's open-enrollment period.

If you do end up choosing an HDHP, please remember: Do not cut back on care haphazardly, as many people do. Following a doctor's recommendations is much more important than saving a bit of money.

MATT CHASE

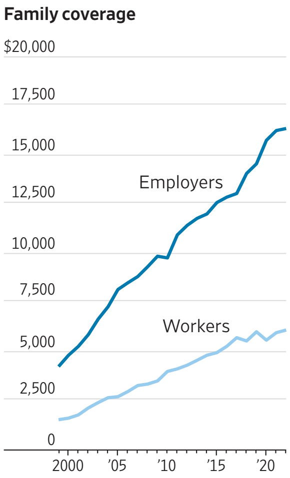
Who Pays for Coverage

Percentage of workers enrolled in a healthcare plan with a general annual deductible of $2,000 or more for single coverage



Note: Small companies have 3-199 workers; large companies have 200 or more workers. Average general deductibles are for in-network providers.

Average annual premium contributions by employers and workers



Source: KFF Employer Health Benefits 2022 Annual Survey

MIKEL JASO

Taxes • Tom Herman

What to Know if Filing an Amended 2022 Tax Return

For one thing, expect more delays than in the past if you're seeking a refund

IF YOU'VE FOUND errors on the tax returns you just filed earlier this year, or in previous years, you likely are joining a very large club. Each year, millions of people file an amended return to correct errors or omissions on their original returns.

But if you decide to file an amended tax return to claim a refund, be prepared for what's likely to be an unusually long and frustrating wait to get a response from the Internal Revenue Service, tax pros warn. The IRS still is struggling to deal with vast return-processing backlogs in the wake of the pandemic and other issues.

Amended returns can still take more than 20 weeks to process, says Eric Smith, an IRS spokesman. "A few years ago, they were more in the 12-to-16-week range."

Smith adds that taxpayers should "keep in mind that returns are amended for a host of reasons, so even in more normal times, lengthier processing times can be more related to the circumstances for the amendment, rather than any processing backlogs."

Steven Toscher, managing principal at the law firm Hochman Salkin Toscher Perez P.C. in Beverly Hills, Calif., says some taxpayers "are still waiting for refunds that should have and would have been issued more than a year ago."

Aside from expecting delays, here are some pointers for taxpayers planning to amend returns for 2022 or previous years.

Do it electronically

The IRS has allowed electronic filing of Form 1040-X since 2020, says Smith. Thus, the first tax year for amending electronically was 2019. "But to be able to amend electronically, you must have filed the original return electronically as well. Where that was done, we can currently accept amended returns for 2020, 2021 and/or 2022," Smith says.

Toscher and other tax pros agree that the best way to file an amended return is to do it electronically, whenever possible.

Direct deposit option

Earlier this year, the IRS announced that people e-filing an amended tax return will, for the first time, be able to select direct deposit to receive any resulting refund. Previously, taxpayers who e-filed amended returns received any refund via a paper check, "a step that added time onto the amended-return process," according to the IRS.

Some important fine print: "This option is available only for e-filed amended returns," says Smith, and only for tax-year 2021 and thereafter.

4.6 million

Estimated number of amended tax returns the IRS expects to receive in 2023

Source: IRS

If, on the other hand, your amended return shows you owe more money, the IRS offers a range of options on how to pay. (See the "Make A Payment" page on the IRS site.)

The IRS says it accepts full or partial payments, including a payment plan. Warning: "Penalties and interest will continue to grow until you pay the full balance," according to the IRS.

Timing matters

Don't compound your mistakes by assuming there is no deadline to fix errors or omissions. The general rule for claiming a refund or credit is that you must file Form 1040-X "within 3 years after the date you filed your original return or within 2 years after the date you paid the tax, whichever is later," according to the IRS.

But there are exceptions. For example, the time limit can be "suspended" for "certain people who are physically or mentally unable to manage their financial affairs," says the IRS. Also, if you amend a return to claim a credit or refund based on a "bad debt or worthless security," you generally must do so "within 7 years after the due date of the return for the tax year in which the debt or security became worthless."

See instructions for Form 1040-X for details on exceptions.

One year at a time

If you want to fix mistakes for more than one year, the IRS says to file a separate Form 1040-X "for each tax year you are amending." Also, if you amend a federal return, check to see if you need to amend state returns as well.

Dealing with math errors

If you find that you made math errors on your original tax return, you don't need to file an amended return to fix them. "That's a key one where no amended return should be filed," says Smith.

Instead, you should wait until the IRS contacts you about the mistake. "Chances are that we will do that and make any necessary adjustment," says Smith. "If you agree with the adjustment and the error either increases or decreases your refund, we'll send you the corrected amount. If you disagree, you can handle that situation by responding to the notice. Technically, we consider an amended return to be equivalent to correspondence. So responding to a notice is normally faster and simpler than filing an amended return."

An important note: The IRS will communicate with you via a letter in the mail. So if you receive an email or phone call from someone purporting to be from the IRS, it likely is a scam. "If you've given us an email address or phone number to contact about your account, it's possible you'll be contacted in this way if we have a question," says Smith. "But if you haven't done that, you shouldn't get unsolicited emails or phone calls about the processing of your return."

There are other reasons to not amend a return. To see whether amending is necessary, try the tax tool on the IRS website: "Should I file an Amended return?" Also, look at Form 1040-X instructions. For more complicated corrections, you might want to consult with an accountant or other tax expert.

Possible perils

Deciding whether to amend a return can be tricky, especially in cases that might involve criminal tax issues. In these situations, consider hiring a lawyer with experience in criminal tax-law issues. Lawyers say there may be better alternatives than amending, depending on your situation.

Another issue to consider: "Taxpayers should be aware that filing an amended return seeking a claim for refund could trigger an audit of the entire tax return," says Toscher. "So if there are other issues on that return, taxpayers and their advisers need to take that into account." Even though you clearly might be entitled to a refund based on what you would claim on your amended return, the IRS might "come up with another separate issue," or even multiple issues, that could prove costly to you.

Tom Herman is a writer in California. He was formerly The Wall Street Journal's Tax Report columnist. Send comments and questions to taxquestions@wsj.com.

The Game Plan

A Military Scientist Wants to Retire at 55 or 60. Will He Have Enough Money?

By Demetria Gallegos

Matt and Lynné Montgomery moved their family to Italy recently for a three-year assignment. He is a scientist in the U.S. military. She is home schooling their four children, ages 1 to 6.

With 15 years' service, Matt Montgomery, 38 years old, is now considering what he might do in five years when he will be eligible for a pension worth one-half of his base pay, currently $108,000. He's open to staying in the military, taking a different government job or heading to the private sector. But he'd like to be able to retire at 55 or 60, and help his children with college costs, business endeavors or eventually purchasing a home.

The couple has $363,000 in retirement accounts in aggressive growth-oriented funds, some $30,000 in precious metals and $24,000 in cash, mostly in an emergency savings account. They own a home in California with $1.7 million in equity and a mortgage of $724,000 with a 3% interest rate. They are currently renting the home out for $4,500 a month which covers the mortgage, taxes and insurance.

On top of his base pay, Matt Montgomery is receiving tax-free military benefits such as housing, utilities and cost-of-living allowances, which, all told, add up to about $165,000 a year. A part-time helper assists with the children. The couple has found life in Italy overall to be more expensive than back home.

Matt Montgomery maximizes retirement contributions, more than $20,000 a year. When the Montgomerys return to the states, they plan to send their children to private school, which they estimate will cost a combined $20,000 a year. They have life-insurance policies: $500,000 for him and $100,000 for her.

• **Advice from a pro:** Matt Montgomery is "well-positioned" to pursue whatever he wants in a post-military career, says Paul Allen, a certified financial planner and cofounder of Redeployment Wealth in Virginia Beach, Va. Eighty percent of the firm's clients are military families.

Allen recommends the couple shore up their already strong position—first by purchasing term-life-insurance policies with bigger payouts. With up to 20 years of future income to protect, Matt Montgomery should have $1 million to $2 million in coverage to protect his family's current standard of living. Because of Lynné Montgomery's work on behalf of the children and running the household, her coverage should be $500,000 to $1 million.

Allen agrees with the couple's aggressive stance in their investment portfolio, as the military pension will provide significant fixed income to balance out risk.

AFRICANIMAGE.CO.ZA

An adviser suggests Matt and Lynné Montgomery open 529 college-savings plans.

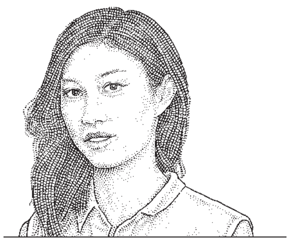
Matt Montgomery might want to assign his GI Bill education benefits to his wife and children. The GI Bill provides for in-state tuition and substantial housing over 36 months, or a typical four-year undergraduate program. But those months can be divided among family members, with the dollar amounts to be determined as needed. This educational benefit also covers vocational programs, entrepreneurship training and more.

To cover earlier education costs as well as to pay for any gaps in tuition expenses left by the military benefit, Allen also recommends a 529 college-savings account for each child, since these accounts can be used to cover tuition from kindergarten through high school. And, the beneficiary can convert up to $35,0000 to a Roth IRA, subject to Roth contribution limits, and only if the account has been open at least 15 years. So the family might be able to use educationally oriented savings plans regardless of whether the children choose college.

Allen says that as long as the family is able to live on the father's earnings without touching their investment portfolio, Matt Montgomery should have a lot of freedom in choosing his next job.

Demetria Gallegos is a news editor for The Wall Street Journal in New York. Email her at demetria.gallegos@wsj.com.

Young Money • Jessica Chou



I Saved a Lot of Money While Working From Home. Now, Not So Much.

As I returned to the office, and my expenses took off, I've had to take a hard look at my budget

AS A CHILDLESS adult living alone in an apartment with three distinct rooms, I found the post-vaccination, work-from-home period to be a financial Godsend.

True, I spent a decent amount of money making my three rooms as comfortably productive as possible. I purchased an electric water kettle to get the perfect brew on my morning coffee. I splurged on a new couch to lounge on while editing and drinking said coffee. But despite those expenses, the absence of commuting and socializing meant I was able to save 20% to 30% of my paycheck.

Then, I got a new job—one that requires me to be in the office three days a week instead of zero.

I was suddenly spending much, much more.

At first, I thought the budget reversal was temporary. After all, revamping a work wardrobe after years of joggers wasn't cheap. My expired makeup collection needed a refresh. Meeting new colleagues over coffee cost $3 to $4 a pop.

But it turns out, this was just the beginning. "Whenever there is a life transition or a job change, there is a change to the monthly budget," says River Nice, a financial planner in Philadelphia. "So there are the startup costs—the clothes, for example—but also ongoing costs because of the new lifestyle."

The new math

I know I'm not alone in contending with the back-to-office money math. Remote work allowed many people to save more these past few years—working, eating and socializing at home. Going back to the office has forced us outside, and now we have to relearn how to budget. And younger workers who started careers remotely may have to start spending on office culture for the first time.

While working from home, "you reset your understanding of what life costs," says Kathleen Vohs, a professor of marketing at the University of Minnesota. "In behavioral science, we would call it a reference-point effect. My guess is that now the amount of spending you're doing is reaching a level that makes you feel like it's beyond what you're used to."

She was right: My rising credit-card bill sparked a panic. So I have started chronicling my daily expenses to see what could be changed, hoping to regain control of my spending.

Some of my costs have been unavoidable. My transportation budget, for example, has more than doubled with my work commute, from $60 a month to $132. I started using the dry cleaners again. But I have also noticed my dining-out budget ballooning. With less at-home time to prepare meals, I buy $10 to $15 lunches more frequently. Surprise late nights at the office have ended with surprise outside dinners—and maybe a nice glass of wine to mellow my mind.

Without the luxury of my couch, my kitchen and my joggers, I find myself reclaiming my comfort via 'self-care' purchases I normally wouldn't indulge in.

That glass of wine is indicative of a second spending category—what financial pros call "compensatory consumption." Without the luxury of my couch, my kitchen and my joggers, I find myself reclaiming my comfort via "self-care" purchases I normally wouldn't indulge in. Some days, it's a coffee-shop latte or a cookie. Other times, it's a $10 bundle of peony tulips from Trader Joe's. On really tiring days, it snowballs into scrolling the RealReal website for designer "deals." If I have to wear something uncomfortable to be presentable in the office, I might as well like it, right?

Costly and unfulfilling

In some sense, having to quickly put my spending under a microscope has been a good thing, causing me to reassess what is important and what is frivolous. The pandemic pause in spending "is psychologically beneficial," says Kelly Goldsmith, a behavioral scientist and professor at Vanderbilt University. "Rather than jumping back in with both feet and being delighted that we can go into our old lives, what about our old lives wasn't bringing us much joy but did, in fact, have a high price tag?"

Goldsmith returned full time to the office in January, and when I chatted with her in a video call, she had a lunch meeting and a coffee meeting—both out-of-the-house expenses she wouldn't have incurred in the work-from-home era.

"Those things really add up, especially if you're doing it every day," says Goldsmith. "In order to maintain the frugality that accompanied the pandemic, I had to make changes to the ways I engage in my face-to-face workplace interactions. Which means if we're having coffee together, can we use the coffee machine in the building? Or can we take a walk instead of something that will cost us money out of our own bank accounts?"

For Goldsmith, the old habits she dropped were beauty services like manicures and pedicures. She mostly buys machine-washable work clothes, and has swapped daily Starbucks runs for prepackaged cold brew from the supermarket.

I've tried learning from her example. Instead of buying little treats, I bake every few weeks, bringing in cookies for myself and my team to counter that 3 p.m. slump. To avoid buying lunch, I follow advice from a friend and make lunch for the week in advance. Sometimes it's just a pot of lentil soup, but it works. For clothes, I put my wants on a seven-day wait list; anything that becomes out-of-stock is just not meant to be.

"I advise my clients to keep a running to-buy list, and in that list include, 'Why do I want this thing?'" says Nice. "So when I see the sparkly eye shadow on TikTok, it goes on the list, but when I go to the list and I see more comfortable shoes are on the list, it helps me realize which one I want to prioritize. You can prioritize what's actually most important to your quality of life."

Identifying the reasons to buy something has helped me move some coveted items down the list (giant clothespins to hang on the wall) and guiltlessly browse for my priorities (orange heels to go with my spring looks).

Make plans

The trick, Nice says, is to identify those priorities and plan for them—both the big financial goals as well as the little things that make everyday life a bit better.

For the people I've spoken with, those priorities differ. My partner, for example, makes a point to eat lunch out and get a candle from TJ Maxx when she has to go into the office. For a friend of mine, it's being strategic about what she adds to her wardrobe and not eating out regularly.

For me, I'm learning that my priorities are things that save and replenish my energy, which I find is in shorter supply now that I'm not working at home. Things like closet staples that ease pre-coffee decisions, the climbing gym for weekly endorphins, a good dinner out and a night of dancing with my partner.

And the good news: The transition will likely get easier over time. "It feels like jumping into cold water going back to the office," Goldsmith says. "But it will get better, we will get used to it."

Jessica Chou is a senior supervising producer for The Wall Street Journal in New York. Email her at jessica.chou@wsj.com.

MARIA HERGUETA

A Simple Way to Get People To Donate More to a Charity

A new study finds that you just need to offer people suggested amounts

BY LISA WARD

IF YOU ASK people to donate to a charity, they likely will give more if you suggest a range of possible donation amounts.

That is one takeaway from a recent study which compares charity fundraising results when people are given a menu of options versus an open-ended request for a contribution.

For example, the study included an experiment involving about 900 people. Everyone was told they were eligible to win $25 and could donate a portion of their winnings to charity. Half of the participants then were asked if they would like to donate, and, if so, how much.

For the other half, each participant was given seven choices: He or she could give $5, $10, $15, $20, $25, another amount of their choosing or nothing.

The authors found that almost 80% of the latter group chose to donate some part of the $25 to charity, whereas 67.5% of those given the open-ended request chose to donate. The average donation in the group that was given a range of suggestions was also higher—$8.70 vs. $6.77.

"Most people want to give the right amount, but determining what amount is 'right' is cognitively taxing, so instead they chose to give nothing at all," says Alice Moon, an assistant professor at the University of Pennsylvania's Wharton School and a co-author of the paper.

In another experiment, the authors found that people chose to donate even when the lowest amount requested varied considerably. In this experiment, participants were divided into four groups. Again all participants were told they might win $25 and then were asked if they would donate some of their winnings to charity.

The group with the open-ended request was given a yes or no choice and then asked to fill in the amount they wanted to donate. The other groups were presented with one of three ranges of possible contributions, starting at $1, $5 and $10. The maximum amount suggested was $25 for all three groups. These three groups could also write in a different amount to donate or not donate at all.

The authors found that regardless of the minimum ask, participants given a range of contributions were more likely to donate money than the participants given an open-ended question. For participants given the open-ended question, the donation rate was nearly 70%, whereas for each of the other three groups the donation rate was more than 80%. In terms of the average amount of money raised, participants asked open-ended questions raised about $8.41 on average, whereas the average donation for the other three groups each exceeded $10.

"It really does seem that supplying a range of suggested donations helps donors resolve the critical question of how much to give," says Moon, "and that, in turn, facilitates greater donations."

Lisa Ward is a writer in Vermont. She can be reached at reports@wsj.com.

SJOERD VAN LEEUWEN